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**ABSTRACT**

This report describes a program promoting alternative financing of child care services by corporations and public employers in Portland, Oregon. Chapter 1 states the rationale for the approach and policy that the "Community Shares" program represents. The rationale includes the argument for a community program of child care information, referral, and resource development and the argument for corporate support of such a service. Chapter 2 presents an historical overview of the development of Community Shares. The chapter describes the community support mobilized for the program and the effort to market the program. Chapter 3 identifies which contacted companies agreed to participate and the factors influencing their decisions. Chapter 4 discusses major issues encountered in gaining corporate support, with a special focus on the strengths Chapter 5 offers a summary and conclusions. Extensive appendices provide information about materials presented at the program's major marketing event, numerous press clippings, a survey of child care benefits provided by employers in the greater Portland area, a report of a consumer-based evaluation of the services provided by the Child Care Coordinating Council (4-C) to employees of 14 Portland area companies, and an example of a contractual agreement between 4-C and an employer. (RH)

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**Community Shares:  
Corporate Financing  
of a  
Child Care Information Service**

**by**

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**March 1985**

## Acknowledgments

So many contributed to this project that it took an entire report to acknowledge them. Their roles are described in the report. From the Governor of Oregon to the City Club of Portland, Community Shares was a community effort.

However, we want to recognize three granting agencies and thank the two project officers for their support and helpful interest in the project. The project was made possible by grant #120-A-83 from the Office of Planning and Evaluation ( Dr. Jerry Silverman, Project Officer ) and grant #90-PD-86522 from the Administration for Children, Youth, and Families (Patricia Divine-Hawkins, Project Officer ), plus a supplemental grant from Human Development Services' Office of Program Development. We wish to thank them and Richard Schlaef of the White House Office on Private Sector Initiatives, for their enthusiastic support.

Arthur Emlen

Portland, Oregon

March 1985 (Revised, October 1985)

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## Chapter 1

### The Rationale for Community Shares

"Community Shares" is the name of a program in which Portland corporations and public employers contract with the Child Care Coordinating Council (4-C) - a non-profit agency to provide child care information, advice and consultation, referral, resource development, planning, and seminars as well as evaluation of employee child care needs. Formerly financed by the State of Oregon, 4-C lost its public funding during a period of budget cutting. Community Shares, then, was an experiment in developing alternative financing from public and private employers for a needed human service.

It had to be done on a large scale. The idea was for 40 or more employers to purchase child care information services for their employees, with the effect of underwriting a metropolitan resource service by their collective action. When all of the company "shares" were added together, a city-wide service would result that could not have been accomplished solely through public or philanthropic funding.

Two Federal grants, supplemented by community support, made it possible to develop and launch Community Shares. The first grant in January 1983, "Employer-Based Child Care Information," from the Administration for Children, Youth, and Families, Office of Human Development Services, Department of Health and Human Services, established the need for Community Shares in a credible way through a careful survey of employees from 33 companies and agencies. The second grant awarded in October 1983 by the Office of Planning and Evaluation,



Department of Health and Human Services, underwrote the marketing of Community Shares to the business community and provided an opportunity to explore its feasibility as an alternative mechanism for financing a human service. Other contributions crucial to the success of the effort are described in Chapter 2.

This report presents a description of "Community Shares" as an experiment in alternative financing. The report discusses the program's rationale and underlying assumptions, and assesses its feasibility based on evidence from the Portland experience. In an era of increasing interest in employer-supported initiatives related to child care, this report illuminates both the potential benefits and the limitations of such an approach to developing a comprehensive community service.

The present chapter states the rationale for the approach and policy that Community Shares represents. The rationale includes the argument for a community program of child care information, referral and resource development, and the argument for corporate support of such a service.

Chapter 2 presents an historical overview of the development of Community Shares. The chapter describes the community support that was mobilized for the program and the specifics of the effort to market the program.

Chapter 3 describes the results, identifying which companies agreed to participate and which factors were important in their decisions.

Chapter 4 concludes the report by discussing major issues encountered in gaining corporate support, with a special focus on the strengths and limitations of community shares as human service policy.

### The Rationale for Community Shares

Community Shares rests on two major assumptions: 1) investment in a community-wide child care information service is sound policy; and 2) for employers to underwrite the cost for such a service is appropriate policy.

The case for underwriting a child care information service with employer support is a strong one. Companies need employees, and employees have families. Without families, society would be without a full and productive work force. Yet in order to work, families must arrange child care. This they do as best they can with the resources they have. Most manage the feat well, but for many the task is difficult. Few family responsibilities have greater daily consequences either for stress or well being than do child care responsibilities -- consequences which also reach the work place in the form of loss of time, morale, and productivity.

Yet the country is divided over the issue of how, or even whether, responsibility for child care or for the cost of child care should be shared by family, employer, community, and government. This report does not address the question of whether the family should pay for child care itself, whether it should be subsidized by employers, or whether society should provide care as a public service for reasons similar to those for universal education. Whichever position one takes on who should pay for child care, one policy option is worthy of consideration because potentially it can benefit all parties, while remaining modest in cost. A community can create a system that supports employees and their families in their effort to find and arrange the kind of child care they want their children to have.

In most communities, the lack of such a system along with the absence of its principal ingredient -- information -- is a major barrier to the development of affordable child care which is widely available and readily accessible. Employers need information about their employees; employees need information about resources; current and potential providers need information about child care demand, planning agencies need information about where to develop resources; and United Ways, community foundations, public funding agencies, and employers all need information in order to establish funding priorities.

Two views about the economics of child care probably prevent communities from doing more than they do. First, it is said that people can find child care; they just can't afford it. Therefore, people don't need information, referral, and planned resource development; they need child care subsidies. Second, it is said by funding agencies that to respond to all of the day care needs that are asserted would cost far more than political realities permit. Therefore, funding agencies have refrained from allocating dollars to day care until they know how to set priorities. Many employers also view their options in all-or-nothing extremes, as if there were no options short of paying for expensive benefits.

These views are two sides of the same coin. They ignore the fact that part of the apparent need for child care in a community is due to a serious lack of information. Without minimizing the difficulty that low-income families have trying to pay for child care, it is clear that one way -- one important way -- a community can meet day care needs is simply to improve the availability and accessibility of child care resources by

assisting all interested parties with the information they need for the decisions they have to make. Resources unknown are resources unavailable. For employees who are child care consumers, difficulty finding child care is a real problem -- widespread and often stressful for the family. For them, an information service is a real service. Information is necessary also for planning and implementing programs designed to stimulate the development of resources and make them accessible. Most communities have not paid attention to the possibility that a root cause of difficulty arranging child care may be that the child care market does not work well.

An active program to stimulate a well-functioning, efficient, adequate day care market significantly benefits society in many ways. The benefits include the following:

- Parents have greater freedom of choice as child care consumers and an easier time finding child care. Experiencing less stress and having a greater range of options, parents make arrangements that are more convenient, manageable, and appropriate to family life and their children's needs. (Emlen, 1970; 1972; 1974; 1982).
- Children benefit when the crisis is taken out of finding child care and optimum arrangements are made for them.
- Child care providers have a more predictable market with enough customers and thus are able to sustain their interest and their ability to provide care. Accordingly they will tend to remain in the market as resources. (Ruopp & Travers, 1982; AIR, 1981).
- An adequate supply of providers creates competition and distributes demand over a wider range of supply, offering a wider price range and helping to keep child care affordable for parents.

- Distributing demand across an adequate supply of providers also tends to curb the pressure to overcrowd existing resources, maintaining more favorable, adult-child ratios with fewer numbers of children in a setting. (Emlen, 1974, Fosburg, 1981).

- Family day care is made more visible and accessible to employees, and the isolation of these providers is overcome.

- Development of care to meet demand contributes to an adaptive child care market that can keep pace with the changing characteristics of the working population. (Fosburg, 1981).

- Employers and the economy are afforded a stable and productive workforce. Reduced family stress in finding child care and having a satisfactory arrangement make working easier, thereby reducing absenteeism and other workplace difficulties. (Emlen, 1982; Emlen and Koren, 1984).

- Employers are under less pressure to finance unnecessarily expensive facilities that benefit a limited number of employees.

For these reasons, programs to provide child care information, referral, and resource development have become widely recognized as needed and valuable (AIR, 1979; Levine, 1980; Catalyst, 1983; Burud, 1984). However, they suffer from serious limitations as a mechanism for improving the child care market. These limitations could be the Achilles heel of the service and must be addressed.

One limitation concerns the limited number of providers who are listed. Characteristically, in most cities employees are twice as likely to use "family day care", that is, homes which are found informally in the neighborhood, as they are child care centers. Yet information and referral programs are more likely to list the supply of center care and to maintain



limited capacity for making referrals to family day care homes which remain unlicensed, unregistered, and unknown to agencies, although the quality of their child care compares favorably to care in listed facilities (Fosberg, et al, 1981; Emlen, 1980) . A referral service that listed more than a fifth of the family day care actually used by employees probably would be unusual.

This means that a child care information service cannot marshal the supply to meet the demand, unless they have an active component devoted to finding and recruiting new child care resources on a continuing basis. Though centralized, the telephone service probably must be linked to a variety of informal, neighborhood networks in order to generate the needed supply of resources.

Another limitation concerns screening providers. A child care referral service is caught on the horns of a dilemma regarding the quality of care that parents, employers and the community expect from listed resources. On the one hand, parents want and expect assurance of quality care; yet the more they rely on such assurance, the greater the risks, since the parents themselves are a crucial force in selection and in the regulatory process. Also, licensed facilities provide no guarantee of quality or even protection from child abuse. A child care referral service must have a philosophy and a mechanism for dealing with standards, screening, complaints, and liability. If these functions are not provided by government, they must be provided by the referral service.

Community Shares prepared to address these critical issues, as well as other questions that employers might raise.



### The Case for Employer Support of Child Care Information Services

In some quarters, the case for employer support of any child care service seems obvious to some, yet the business community is skeptical, and understandably so. Employers are bombarded by hype and strong opinions on all sides of the question. Some advocates advise employers to establish expensive benefits, such as on-site centers, or other direct subsidies of child care, while other constituencies strongly object to such subsidies, raising concerns about costs, fairness, and abdication of family responsibility. Therefore, the purpose of the Portland's employee survey was to address the deep skepticism of employers and to make a balanced analysis of the nature and extent of employee need regarding child care and its consequences for work. Our approach was not to ask employees what they wanted, but what they were actually doing. Then we analyzed the type of child care they used and the difficulties they experienced at home and at work.

The study findings were important in making the case for community shares because difficulty finding child care emerged as the most frequent and acute difficulty employees encountered and as the most pivotal in explaining workplace effects such as absenteeism and perceived stress. These findings appear in the report, Hard to Find and Difficult to Manage: The Effects of Child Care on the Workplace which was presented to employers at a forum on March 1, 1984. Briefly, the evidence was the following:

- 59% of all women employees with children under 12 reported that finding child care was difficult. We asked about other difficulties, but

difficulty finding care stood out among the difficulties perceived for greater, by twice, than the perception of the employer's personnel practices as making things difficult.

- Those who did report difficulty finding child care were the same parents who made unsatisfactory arrangements and who had difficulty maintaining arrangements. They also tended to report more stress related to child care.

- 38% of employed mothers planned to change their arrangements in the near future.

- 28% of employed mothers and 15 percent of employed fathers were relying on older brothers and sisters or on the children themselves as the child care arrangement for children under 12. Not all of these arrangements were unsatisfactory by any means, but many of these parents expressed worry and concern and, as a group, they showed the highest levels of dissatisfaction with their arrangements. Employees using day care, such as centers or family day care, were almost twice as likely to be satisfied with their arrangements -- a difference of 35%. The "care by child" group (i.e., self care or sibling care, latchkey -- children by themselves or with an older brother or sister) had higher absenteeism rates. Yet reliance on children prevailed despite income not for lack of it. "Care by child" increased, not decreased, with higher family incomes. If it wasn't lack of income then what was it? These parents reported the greatest difficulty finding child care, suggesting that they could not think of a better alternative or discover one in the community, or get their children to use it.

- Those employees who relied on their own children for child care experienced the highest absenteeism rates. We defined absenteeism as any loss of time for any reason and we measured four kinds -- the number of days missed, times late, time left early, and times interrupted during the day -- which employees reported for the previous four weeks.

For example, consider the number of days missed -- an annualized average number of days per year. Employed fathers having a wife or other adult at home missed eight days per year. Their 8-day per year average was nearly comparable to that of men employees having no children at all. But employed parents of either sex (mothers and fathers) whose child care arrangement was an older brother or sister or whose children were looking after themselves reported absenteeism rates of 13 days per year. That is a difference of 5 days per year on the average between having an adult at home to provide care and relying on the kids. This is an average for an entire category of employees. Although the incidence is relatively high, the frequency per individual is low. Absenteeism due to child care tends not to run to extremes as much as from other sources such as alcoholism.

Child care related differences in lateness and interruptions were far more pronounced than for days missed, especially for children at home by themselves, who tended to call their mothers.

Men's absenteeism rates are lower than women's, because they carry fewer child care responsibilities. The women make the men's low rates possible. The daily management of child care is done predominantly by mothers, even when they are employed. Not just the single mothers who must do it all, but also the married mothers who still do most of it -- the finding of child care, the arrangements, transportation, taking calls, and tending a sick child. These findings are evidence that fathers share some

of the parental responsibilities but only secondarily. And 52% of the men employees and 57% of the women employees had an employed spouse.

Absenteeism due to child care difficulties is not necessarily bad nor even necessarily directly related to loss of productivity. Many employees may compensate for time lost and have higher morale when they have some flexibility to deal with family emergencies.

The survey also asked employees whether, in the past four weeks, they had experienced any worry or stress related to several areas of life including child care, their personal health, and the job. Child care stress reached significant proportions, though it was less than stress from job or family finances. Forty-seven percent of employed mothers and 28% of the fathers reported recent stress related to child care.

Finally, we concluded that the findings did support the Community Shares solution, that is, that companies individually and collectively should contract for child care information services.

An additional pragmatic reason was that in Portland, as in many cities, child care information and resource services were poorly funded, lacking state, city, county, or United Way funds. Without employer support, the city would go without such a service. Employees and their employers would be the primary beneficiaries of such a city-wide service. Secondarily, social agencies would also purchase service for the clientele they serve, such as family assistance recipients looking for work, although this population is small compared to the workforce.

Community Shares effectively provided an employee benefit for which each company (or agency) could contract, based on a decision about the value of the service to that company. It was not promoted as a charitable

contribution. No individual employer alone could afford to underwrite the cost of a city-wide community service, but together a sufficient number contracting at the same time could make their shares add up to a community service.

That, then, was the rationale behind Community Shares. We turn now to what actually happened.



## Chapter 2

### The Portland Marketing Effort

The centerpiece of the marketing strategy for Community Shares was a forum for prospective sponsors held on March 1, 1984. In style and substance, it was geared to the corporate world. This formal event conveyed child care as an employee productivity issue and emphasized the Community Shares concept as a solution which was modest in cost. Careful attention was given to the selection of companies, to inviting key people within each company, to publicity, and printed materials, and to details of the event itself. Preparation for the forum began in October 1983 with the assistance of an experienced marketing and public relations firm, Pihas, Schmidt, Westerdahl, as well The Studio Group, a firm excelling in graphic design. Presented below are the main ingredients of the marketing effort which preceded the forum.

#### Selection of Companies

A total of 442 Portland businesses and public employers were invited to the forum. Their selection was based on a number of criteria. First, an attempt was made to include a wide-range of industries as well as focus on those most likely to participate. One-quarter of the invitees were involved in wholesale trade, 22% in services, 14% in retail trade, 13% in



manufacturing, 13% in finance, insurance and real estate, and 12% in transportation, communications and utilities. Many employers represented industries with a high proportion of female employees; 24 were hospitals or other medical services, 45 were restaurants or hotel/restaurant combinations, and 13 were general merchandise or apparel stores. Companies recognized as leaders in the community were particularly chosen.

Company size was another important factor, recognizing that economy of scale would make the service most attractive to large employers. A total of 293 businesses, or two-thirds, had more than 100 employees. The largest was Tektronix with nearly 15,000 employees, followed by a group with a workforce of 4,000-5,000 each. On the other end of the spectrum were small firms with 50-100 employees. It is noteworthy that 43 of Portland's 50 largest private employers were invited.

A third factor in the selection was geographic location. By looking at business zip codes, companies were selected to encompass all of the tri-county metropolitan area. Some firms from the metropolitan area across the Columbia River in Southwest Washington were also included. For some large branch companies, invitations were sent to multiple sites in different zip code areas.

Invitations to the forum were signed by two well-known chief executive officers and a labor leader and sent to the chief executive and personnel/benefits, or human resource officers of each company. See Box 2.1. The approach was to work both up and down the management structure and convey the survey findings, the elements of the community service and the idea of Community Shares as an employee benefit. Positive responses indicating an interest in Community Shares were received from about two-fifths of the companies.

#### Publicity Before the Event

Following a luncheon held for chief executive officers of 22 Portland companies in June 1983, several press and media stories appeared on employer-based child care and the related research. In the weeks prior to the main event, an active media build-up was undertaken to further public awareness and support. Key print and broadcast people were notified and a meeting was arranged with the editorial board of the Oregonian, Portland's metropolitan newspaper. Local and congressional leaders were also apprised. Contact was made with several disaffected child care agencies which felt left out and apprehensive about competition for corporate support, and their concerns were heard privately before the forum. Both

CHILD CARE & EMPLOYEE PRODUCTIVITY:  
THE WORKFORCE PARTNERSHIP



Child Care Coordinating Council  
1330 SE Alder  
Portland, Oregon 97214  
(503) 239-4530

Regional Research Institute  
Portland State University  
Portland, Oregon  
(503) 229-4040

Dear Fellow Executive:

Two weeks ago we invited you to attend the conference, "Child Care and Employee Productivity: The Work Force Partnership". The conference will be held on Thursday, March 1st, at the Mayfair Room of the Westin Benson. At this time we will review the results of a major local study delineating the impact of employee child care needs upon important elements of productivity in the workplace.

Enclosed is a brochure which more fully outlines who will be participating that day and the topics each will address. We know what it means to ask a busy executive to carve one and one-half hours out of a day for another meeting. However, this will be an especially profitable meeting when you learn of the financial impact the study's recommendations could have on your company. Following the meeting will be a hosted reception at which time panelists will be available to answer additional questions not covered in the formal session.

If you are unable to attend personally, we would ask that you send a designated representative who is responsible for personnel or human resource matters in your company. Portfolios with the full survey results, a problem description, and the proposed solution are being prepared for each company in attendance that day.

Oregon prides itself on being first in many areas. The business community's response to this study and its recommendations may well lead the way for others across the nation.

Best Regards,

Robert H. Short  
Chairman of the Board  
Chief Executive Officer  
Portland General Electric Company

Nellie Fox  
Director of Legislation  
& Political Education  
Oregon AFL-CIO

Daniel O. Wagster  
Sr. Vice President & Regional Manager  
Kaiser Foundation Health Plan  
of Oregon

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CHILD CARE  
& EMPLOYEE  
PRODUCTIVITY

THE WORKFORCE  
PARTNERSHIP



A landmark study of more than 8,000 employees from 33 Portland metropolitan area companies and agencies has determined that stress and absenteeism related to child care warrant attention by the Portland business community. You are invited to participate in a Conference focusing upon a community approach to the child care issues facing employers nationwide.

The findings indicate that while many employees with children manage well most of the time, sixty percent report difficulty finding or maintaining adequate child care. The study reveals how directly employee stress and absenteeism relates to family resources and the daily responsibility for managing child care arrangements.

The Conference will address the full findings of the study, define the issues raised and propose a cost effective, innovative solution. Portland area firms have an opportunity to develop a model program which may be emulated in other urban communities.

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THE WESTIN-BENSON—MAYFAIR ROOM  
THURSDAY, MARCH 1ST 4:00 - 6:00 P.M.  
ATTENDANCE BY INVITATION

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## CONFERENCE AGENDA

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Welcome and Opening Remarks—4:00

Kay Toran, Special Assistant to the  
Governor for Affirmative Action

"The Business of Public/Private Partnerships"

The Honorable Victor Atiyeh  
Governor, State of Oregon

"The National Impact of a Local Study"

Richard Schlaff,  
Office of Private Sector Initiatives,  
The White House

"Hard to Find and Difficult to Manage: the  
Effects of Child Care on the Workplace"

Dr. Arthur C. Emlen  
Director, Regional Research Institute for  
Human Services  
Portland State University

"The Elements of Solution"

Robert C. Shoemaker  
President, The Portland City Club

"The Solution in Action"

Kay Stepp  
Vice President—Human Resources  
Portland General Electric Company

Daniel O. Wigster  
Senior Vice President and Regional Manager  
Kaiser Foundation Health Plan of Oregon

Questions to the Panel—5:00

Leslie Faught  
Director, Child Care Coordinating Council

Kay Toran, Moderator

Stay to Enjoy a Hosted Reception—5:30



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Leslie Faught and Arthur Emlen appeared on local talk shows to explain community shares and the related research.

The publicity before the event was important for two reasons. First, it had the obvious function of raising the awareness and interest of business leaders and allowed them to become comfortable with this new idea. Given that the decisionmaking in some companies actually occurs from the bottom up, a second purpose was to reach working parents, supervisors, and others who might influence company decisionmakers. This two-pronged approach characterized the media build-up.

#### The Forum

The forum entitled "Child Care and Employee Productivity: The Workforce Partnership" was held on March 1, 1984 in Portland's Westin-Benson Hotel from 4-6 p.m. Governor Atiyeh, designated as keynote speaker, was unable to attend, but in his place, Kay Toran, the Governor's Assistant for Affirmative Action and moderator for the event, read a statement from the Governor expressing his long-term interest in public-private partnerships and support for Community Shares as good business. Representing the White House Council of Private Sector

Initiatives, Patricia Divine-Hawkins read a message from the President (See Box 2.2) and talked about national trends in employer-based child care. Following was a presentation of the local research findings on child care and the workplace by Arthur Emlen. Next, Robert Shoemaker, President of the City Club of Portland, presented the Community Shares proposal to company executives. In proposing that companies purchase a package of child care information services under the Community Shares program, Mr. Shoemaker cited a recommendation of a two-year City Club study which had been adopted in April, 1983, recommending a computerized 4-C information service. The scheduled start up date for Community Shares was July 1, 1984; it was requested that decisions be made by April 15. Testimonial support followed from Kay Stepp, Vice President for Human Resources at Portland General Electric and Daniel Wagster, Chief Executive Officer of Kaiser Foundation Health Plan of Oregon. Finally, Leslie Faught of 4-C answered questions from the audience -- mostly hard-headed business questions about how many employees would be likely to use the service.

A packet of printed information resembling a company portfolio was distributed to attendees. The graphic design by The Studio Group was

THE WHITE HOUSE

WASHINGTON

Message for Conference Participants

Portland, Oregon

March 1, 1984

I appreciate this opportunity to extend my warm greetings to all those participating in this conference on Child Care and Employee Productivity: The Workforce Partnership.

Accessible, affordable, quality child care is a concern for each of us. Portland is emerging as a national leader in the development of private sector child care initiatives, in public-private partnerships, in nationally relevant research, and in the formulation of innovative models to benefit employers, families and the community as a whole.

Last summer, the First Interstate Bank in Portland and my Advisory Council on Private Sector Initiatives co-sponsored one of the first in a series of luncheons to inform business leaders about options available to employers to support working families.

Today's conference represents another milestone in the partnership between business, the child care community and federal, state and local government to meet the challenge of child care for our communities.

I commend your leadership in these endeavors and wish you continued success.

Ronald Reagan

professional in appearance. More important were the contents which covered four areas: the research findings and recommendations entitled "Hard to Find and Difficult to Manage: The Effects of Child Care on the Workplace;" a Community Shares project description including services, pricing, benefits, and answers to business concerns (see Box 2.3 for brief description of services offered under Community Shares); an explanation of income tax consequences; and a general review of the case for employer-based child care information services written by Catalyst -- a New York organization providing corporate child care resources. These printed materials were important as individuals left the forum and began weighing the advantages and disadvantages for their particular company. (See Appendix A for information on where to send for these materials.)

A total of 107 representatives from 71 different companies attended the forum. Additionally, 15 local government leaders or their representatives were present, four community foundations, and members of the press. Most companies sent either their personnel or benefits manager (35 or 49%) or a vice-president or top executive (15 or 21%) as the highest ranking attendee. Two companies sent a financial officer, while 19 companies were represented by others in management.

### Box 2.3 Services Offered by Community Shares

Under Community Shares, the services offered by 4-C would be the following:

- Child Care Referral. Employees could call the 4-C referral office for child care placements and for assistance in making selections. A computerized information bank of 4,100 listings would be a key feature of the service. Home, centers, pre-schools, and summer programs would be listed as well as placements for day, evening, night, and weekend care.
- Facility Screening. With sufficient employer involvement, 4-C would screen all day care homes as a prerequisite to listing the facility. Facility screening would ensure that all referral listings met reasonable standards. This service would exceed the state's minimum regulatory requirements.
- Information at the Worksite. Computerized listings of child care facilities throughout the tri-county area would be made available at the worksite for employees.
- Workshops/Seminars. Employee workshops would deal with child care resources and the selection of appropriate child care. Groups could also request specific topics for discussion.
- Printed Information. Booklets and other printed materials would be supplied covering the regulations of child care, selection of child care, appropriate expectations from a provider, different styles and philosophies of care, maintenance of a positive relationship with a caregiver, the parents' role as child advocate, and a summary of local child care-related resources.
- Evaluation of Employee Participation. Portland State University's Regional Research Institute for Human Services would provide participating firms with annual evaluations addressing employee satisfaction with their use of the service.



The forum was judged a success by participants and observers. Most importantly, the presentation succeeded in convincing participants that child care was indeed a business productivity issue and, that Community Shares was an appropriate solution and a legitimate part of an employee benefits package. The occasion was marked by a high level of attendance of benefits managers and top executives (nearly three-quarters of the business audience), who asked questions which indicated serious interest. During the discussion period, one personnel manager suggested that unions be encouraged to recognize this service as a benefit in labor negotiations. Several companies expressed an immediate positive response to the Shares proposal. Crucial to acceptance of child care as an employee productivity issue were the research data on 33 local companies.

The forum also presented a service package which made good business sense. It represented a minimal financial outlay for a maximum return. Fears were alleviated that companies would be asked to subsidize expensive benefits serving only a few, such as on-site centers. There were, however, concerns about price. In general, the pricing was perceived as being too high despite the best efforts to explain the costs of this labor-intensive service. This perception continued through the negotiation of individual contracts.

A later chapter of this report discusses more fully the conceptual issue of presenting child care in business productivity terms and the service elements of a successful program. However, the forum succeeded in making the intended presentation to the business community of a win-win proposition in which they could provide a valuable benefit to their employees and underwrite a needed community service at the same time.

The research findings were convincing and the endorsements by two major Portland companies were credible and persuasive. The 30 minute question and discussion period, although perhaps too short, addressed business concerns in a forthright manner. The quality of the forum as an event, including the materials and the speakers, made a positive impression, justifying the marketing expense.

The Oregonian gave press coverage of the forum, and two days following the forum, a supporting editorial was published by The Oregonian. See Box 2.4. The editorial emphasized the importance of the research linking child care with employee absenteeism and stress, the need for the service in this community, the economy of the approach for employers, and its innovativeness. The crucial argument was accepted

that Community Shares should be adopted as a matter of good business. Other coverage of the event and subsequent press and media stories were also positive and encouraging, enhancing the community image of 4-C and of the participating companies. Two subsequent feature stories were influential -- one in The Downtowner and one in the Business Journal. See Appendix B. The press has continued to follow the Community Shares story and provide sustained coverage.

One month after the forum, a presentation of the Community Shares concept was made to 23 local child care providers. The audience was supportive of the program except in one controversial area. By April, 4-C had made a decision to charge a referral fee to parents from non-participating companies, marking a departure from 4-C's traditional policy of providing information free of charge. The fee also marked a departure from the original Community Shares design. This change was necessary to gain the involvement of several key firms. These companies were willing to underwrite the service for their own employees and low-income parents who could not afford it, but not for those with jobs at competing companies which declined participation. Center care providers strongly opposed this new service policy, seeing it an erosion of a true community

service and as being potentially harmful to their own business. The conflict illustrates a degree of contradiction between Community Shares as an employee benefit or dollars-and-cents business decision based on productivity and a mechanism for establishing universal community service. This issue will be discussed more fully later.

#### Follow Up with Promising Companies

The early marketing activities through the March 1 forum in no way guaranteed widespread business support. Firms still had to be convinced of the value of child care information for their particular company and presented with individual service packages suited to their employees. Together, these individual contracts would comprise Community Shares.

Letters and conference materials were sent to those who did not attend the forum and personal contacts were made with those who did. During March, a list of prospective companies was developed. Discussions and proposals followed. Some decisions were made quickly while others were slowed by internal decisionmaking and a reluctance by some to be leaders in adopting this innovative service. For most companies, the decision took far longer to make than the original deadline of April 15. One major



hindrance was that decisions about benefits were often tied into annual budget cycles, in which cases companies could only make a commitment of long-range interest by July 1.

The effort to engage individual companies and to write service contracts was painstaking. Many details of the contracts had to be negotiated, the most important being price and liability insurance. In nearly every case, price was bargained. Companies thus paid rates based on the characteristics of their particular work force and projected use, adjusting the set fee based on total number of employees. Equity across companies was maintained by using a standard formula but applying this formula to a reduced percentage of users. Several companies decided to produce the printed material themselves, thus reducing costs, and one large company contracted only for sick child care resources. Another concern was liability, which 4-C assumed by purchasing a \$5 million professional and general liability insurance policy. The writing of service contracts lasted well into June for the first group of participants.



### The Decision to Implement Community Shares

By early June 1984, a total of 16 private businesses and one public employer gave firm decisions to participate. (A list of participants is presented and analyzed in the next chapter.) With fewer than the hoped-for 40 participants and reduced pricing, revenue fell short of the needed amount by about \$50,000 for the July 1 start-up. A supplemental grant to implement the first phase of Community Shares was awarded by the Health and Human Services Office of Program Development. This phase included the basic information service package, printed materials, on-site workshops, and consultations by child development specialists at 4-C. It did not include the quality screening of listed child care facilities, a component which was dependent on additional funding.

During the Spring marketing effort, 4-C geared up to meet the demands of Community Shares by implementing an automated information system which listed about 1400 family day care and 300 center care locations plus other specialized facilities. In its initial form, the system used an Ohio Scientific microcomputer with multiuser capabilities, and software developed by a local firm. With this system, a computer search

took no longer than one minute, although the usual response time to a user's request for information took longer because staff checked out current availability and called the user back.

To further the aims of Community Shares, 4-C applied for two additional grants during the marketing phase, and these were awarded by late summer. The first grant, awarded by the Fred Meyer Charitable Trust in the amount of \$200,000 over three years, was intended to support a program for screening family day care facilities. A minimum quality standard would be established and only those facilities meeting this standard would be included in the 4-C listing. The second grant, awarded by ACYF in the amount of \$40,000, involved actively increasing the accessibility of family day care supply in Portland neighborhoods, recognizing that there are many potential family day care resources which are untapped and unlisted with the information service.

#### Further Marketing after July 1.

A new phase in the marketing was planned for the remainder of 1984 and early 1985 in order to reach substantially increased numbers of companies and agencies. A press conference was held October 17, to

acknowledge accomplishments and draw attention to the need to expand the base of participants in Community Shares. Presentations were made by Governor Victor Atiyeh and Congressman Ron Wyden, Governor's Assistant Kay Toran, Portland State University Professor Arthur Emlen, 4-C Director Leslie Faught, and representatives of the participating companies.

The marketing activities will need to be a continuing function. While it is too soon to report on this second phase, it is complicated by the fact that the program is now in operation and companies are gaining experience with it. The community is in the process of evaluating that experience and future marketing depends on the success of the program. As part of that evaluation, the Regional Research Institute for Human Services conducted a survey of how employees who used the service perceived it. See Appendix D, as well as the discussion in Chapter 4.

Marketing in the second phase was further complicated by a 4-C decision to increase sharply the rates to be charged participating companies the second year. This decision was necessitated by recognition that the beginning contracts were a losing proposition and that increased numbers of subscribers would bankrupt the service unless the rates were raised. Initial corporate reactions to this move ranged from mild

indignation to cries of manipulation. Subsequently, however, companies expressed their acceptance and understanding, and company demand for the service was sustained at the higher rates, except for two companies that withdrew after the first year for other reasons. This and other issues will be discussed in Chapter 4. Next, in Chapter 3, we will describe the companies that participated and their response to the initial marketing.

## **Chapter 3**

### **The First Participants and Their Decisions to Join**

As of July 1, 1984, a total of 16 companies and one major public employer (City of Portland) had agreed to participate in Community Shares. The participants were, in order of their involvement, the following companies:

Kaiser Foundation Health Plan

Portland General Electric

Stoel, Rives, Boley and Wyse (donation)

Burger King (donation)

NERCO

Good Samaritan Hospital & Medical Center

Nike (donation)

Standard Insurance

U.S. Bancorp

Pacific Power and Light

Tektronix-Wilsonville

City of Portland



IBM (under contract with a national service, Work/Family Directions)

First Interstate Bank

Georgia Pacific

Arthur Andersen

Pendleton Woolen Mills

Another group of firms, numbering 10, were those interested but who could not make a decision by the end of June due to internal difficulties or labor negotiations:

Southwest Washington Hospitals

Pacific Telecommunications

Veterans Medical Center

Industrial Indemnity

First Far West Corporations

Oregon Nurses Association

Lattice Semiconductor

Tri-Met (public transportation)

Tektronix-Corporate Headquarters

The Oregonian

Still another group of 11 were interested in the service as a long-range prospect:

Northwest Marine Iron Works

Blake, Moffitt and Towne

St. Vincent's Hospital

RFD Publications

Hewlett-Packard

KPTV

Ticor Title Insurance Company

Far West Federal Bank

ESCO Corporation

Bank of California

Pacific Northwest Bell

Finally, there were 16 firms who were followed-up but chose not to participate:

Blue Cross

Fred Meyer

Farmers Insurance

Massachusetts Mutual

St. Paul Marine and Fire Insurance

American Data Service

Montgomery Ward

Jantzen

International Paper

Emanuel Hospital

Oregon First Bank

Schnitzer Steel Products

Westin-Benson Hotel

United Grocers

Auto Club of Oregon

Leopold and Stevens

Thus, out of a total of 55 prospective firms, 39 showed interest either by joining or expressing an interest in future participation.

Table 3.1 presents a comparison of companies at different stages of the marketing effort. The original group of 442 invited to the forum represented a range of both size and industry type. As the self-selection process occurred through the July 1 decision, there were differences. For the 71 businesses initially interested enough to attend the forum, there was a disproportionately high share of large companies with more than 500 employees, 50% of the attendees vs. 15% of all invited. Companies in services and finance or insurance were overrepresented at the forum while

the wholesale and retail trade groups were underrepresented. The final decision to participate either now or in the future revealed 39 companies with an even higher proportion of large firms -- 22 or 63% with more than 500 in the workforce, 15 of which had more than 1,000 workers. Those participating or with long-range interest were concentrated in manufacturing, services, and finance or insurance followed by transportation and utilities.

The participants and those otherwise interested in Community Shares included many of Portland's largest companies, some recognized as industry leaders, and some with a reputation of progressive management. Among the nine in service industries, five were hospitals with workforces of between one and four-thousand, about three-quarters women. The list also included a public employer (City of Portland) with 3,500 employees, major utilities and public transportation, Oregon's two largest banks and other financial institutions, electronics and high-tech manufacturers, and others. Noticeably absent from the list were Portland's large retail chains, with workforces numbering in the thousands and as many as 75% women, and the large hotel/restaurant complexes also having many female employees.

TABLE 3.1

A Comparison of Companies at  
Different Stages of Community Shares

|                       | October 1983:<br>Invited to<br>the Forum | March 1984:<br>Attending<br>the Forum | July 1984:<br>Participants or<br>Future Interest |
|-----------------------|------------------------------------------|---------------------------------------|--------------------------------------------------|
| Number of Companies   | 442                                      | 71                                    | 39                                               |
| Company size          |                                          |                                       |                                                  |
| 51-100 employees      | 31                                       | 10                                    | 0                                                |
| 101-250               | 40                                       | 25                                    | 23                                               |
| 251-500               | 13                                       | 15                                    | 6                                                |
| >500                  | 15                                       | 50                                    | 63                                               |
|                       | 99%                                      | 100%                                  | 102%                                             |
| Type of Industry      |                                          |                                       |                                                  |
| Wholesale Trade       | 25                                       | 12                                    | 8                                                |
| Services              | 22                                       | 35                                    | 23                                               |
| Retail Trade          | 15                                       | 4                                     | 3                                                |
| Finance/Insurance     | 13                                       | 23                                    | 21                                               |
| Manufacturing         | 13                                       | 12                                    | 28                                               |
| Trans./Comm./Util.    | 12                                       | 14                                    | 18                                               |
|                       | 100%                                     | 100%                                  | 101%                                             |
| % With Multiple Sites | 65                                       | 72                                    | 83                                               |

Note: Cases with missing data excluded in the computation of percentages.  
Percentages not adding to 100 due to rounding error.



Thus, although size of the workforce was an important correlate of participation, it did not explain everything. Other more subtle factors were also at work. Among them were the general state of management-labor relations in different industries, personnel policies of individual firms and how they view their employees, and a company's sense of its role in community affairs. As it turned out, the decision to participate was complex and not always consistent with expectations. For example, a high female proportion of the workforce was not consistently related to participation or interest.

Wide variation existed in the amount of time and effort needed to convince individual companies to join in Community Shares. A few companies responded immediately to the forum with unsolicited calls to 4-C expressing interest in the idea, while others required a persistent effort just short of a hard-sell approach. Most fell somewhere in between these two extremes. The general procedure following the forum included meetings between benefits executives and Leslie Fought, internal meetings and proposals from some companies, a proposal by 4-C to each company, and one to several rounds of negotiating a service contract. The contact person was almost always the top benefits executive, with input from personnel committees, labor unions, the chief executive officer, and other staff.

In selling Community Shares, the two concepts were discussed -- business productivity and community service. More emphasis was given to the first. This followed the central theme of the forum and the fact that company decisions were assigned to the human resources and benefits executives rather than to the chief executive for a decision based on broader community considerations. For many companies, the research data on 33 local firms (some of which later became participants) were important in the business productivity argument. In no case were the research findings the sole reason for joining, but the hard data did convince many who were favorably inclined.

Although the most prominent selling point was employee productivity, it was by no means the only reason which propelled companies to join. Beyond the dollars and cents concerns, some companies were very much motivated by the corporate self-image they wished to promote. Nike, for example, stated publicly that it was striving to live up to its reputation as a progressive company with a concern for employee needs. It viewed itself as being on the cutting edge of new solutions to a recognized community problem.<sup>1</sup> Community Shares, with its high visibility,

1 See "Care Plan Still Stepchild of Business." Portland, Oregon: The Business Journal, Vol. 1, no. 8, April 23, 1984.

certainly afforded Nike and others like it the opportunity to enhance this image. Nike also illustrates the appeal of the concept to companies with a human relations style of management. For example, Nike decided later not to contract for the service, but did contribute in order to show their support. Portland General Electric, in its testimonial presentation at the forum, expressed the same concern with the general well-being of employees. Joe Angel, chief executive of the Burger King in Portland, contributed because he wanted his employees to know that he supported the service. Other companies which were in a position of competing for talented people recognized this benefit as an incentive for attracting new employees.

Another compelling reason for some companies was a view of this benefit as a bargaining tool in labor negotiations, or in some cases, direct pressures from labor unions. In his opening remarks at the forum, the CEO from Kaiser Foundation Health Plan portrayed his company as being "goaded into action" by union and labor market demands. Union interests played a part in Pacific Northwest Bell's decision also. After initially rejecting the service at corporate headquarters in Seattle, a strong letter from the telephone worker's union instigated a reconsideration, and the service was eventually adopted. Collective bargaining was a consideration in

decisions not to participate until after bargaining sessions unfolded. One executive did not wish to volunteer a benefit in advance.

The decisions by the charter members to join occurred over a period of four months. Their order of buying into Community Shares is shown in the first list at the beginning of this chapter. Knowing which other companies had agreed to join was a major factor for many in their final decision. The courageous early leaders were crucial in winning the next few, and so on. For example, one corporation was favorably inclined after hearing of Nike's impending participation. The chief executive officer of another company agreed to join only with three other specific companies with which he was associated as a member of their boards of directors. Key people and companies frequently were catalysts for others resulting in a momentum which brought Community Shares to life. The major thrust of the marketing effort after July 1 was to use this first wave to influence others and create a solid base of corporate support.

For a number of firms, it was mid-year in their budget cycle after benefits decisions had already been made. They were not able to join immediately. Many companies, of course, chose not to participate either now or in the future. Some did not see the service as valuable to the

company as a whole or necessary to employees. For some, the workforce and the number of women employees, or employees with children, were too small. For others, a "no" decision was made unilaterally at corporate headquarters. One large metropolitan hospital decided on an on-site day care center over the Community Shares option. Although it was never anticipated that the services offered by 4-C would catch on instantly, the idea was new and many businesses simply took a wait and see attitude. Nevertheless, the initial level of private sector support was encouraging and the momentum generated by the early companies warranted embarking on the venture.

The decision to join was a difficult one for many. Community shares was a new kind of employee benefit to consider. The decision took time. Some firms had policies that overlapping committees had to consider; others had to wait until the next budget cycle. Usually adoption of the service did not rest with a single decision maker, and sometimes internal disagreements had to be resolved first. The CEO was by no means the single or key decision maker, and there was no established decision making process for considering child care policies and benefits. The process was further protracted in divisional companies, where first they had to determine at which level (corporate or division) this particular



decision should be made. Secondly, the decision to join entailed great risks for those charged with the responsibilities. The concept was untested. Because it represented a new kind of benefit, executives were not going to accept it on broad values without a thorough examination from a benefits perspective. The reputations of benefits executive were on the line, and they proceeded with caution at each level.

This close scrutiny of Community Shares from a benefits perspective had one major unanticipated consequence for 4-C. Several companies were unwilling to pay for an employee benefit that could be obtained at no cost by employees from non-participating companies, and 4-C made a change in policy whereby 4-C would no longer provide information and referral services free of charge to the community.

As contract discussions progressed, they focused largely on very practical issues involving money and negotiation of price and insurance. Often, even after the fiscal agreements had been reached, fine points of indemnification took center stage, involving questions about who would or would not sue whom and under what circumstances. The contracting phase involved costly attorneys' fees, and sometimes insurance issues threatened 4-C's ability to contract at all. One large corporation withdrew, for example, when 4-C would not agree to holding exclusive liability.

Several factors were identified as making a positive contribution in gaining corporate support. First, personalities were a force in themselves during the marketing process. Executives responded well to Leslie Fought, 4-C's Executive Director. She was professional in a way that fit in well with the business community. Both she and her organization were flexible and responsive in developing individual service packages. There were, additionally, strong personalities from the corporate world, some sitting on several company boards, who influenced their peers. The support of the early leaders influenced the next few and each successive wave added to the momentum. Community Shares gained credibility as more and more blue-ribbon companies joined in. Important here is the fact that two such companies had actually used the 4-C service for one to two years and were willing to speak of its worth. 4-C and Community Shares held the respect and support of the City Club of Portland, a group already respected by the business community. Finally, Community Shares addressed several different areas of need and was appealing from a number of perspectives. Employee productivity, absenteeism, and stress were bottom-line issues. Participating companies also recognized that they were fulfilling a community need and strengthening the human resources of their own corporations by creating a

significant new employee benefit. We conclude that the first phase marketing of Community Shares was sufficiently successful to demonstrate the feasibility of winning corporate support , and the quality of the list bodes well for continued efforts to widen corporate participation. However, given this description of the marketing effort and results, we turn now to an analysis of some of the major issues that face this kind of program.

## Chapter 4

### Major Issues

The Portland experiment with Community Shares faced a series of major issues, any one of which could have been its undoing. The feasibility of the Community Shares approach, i.e., widespread employer contracting for child care information, referral, and resource development, depended on how these issues were resolved. They were:

- 1) Does the Community Shares address a need that is of critical importance to employers?
- 2) Is Community Shares an employee benefit or a community service? Can it be both?
- 3) Is Community Shares generally applicable to all sizes and kinds of companies or organizations?
- 4) What is the right price to charge for the service?
- 5) Exactly what is being purchased? What are the essential elements of the service?
- 6) What outcomes should be expected from the service? How should the service be evaluated?
- 7) Where does Community Shares fit in the larger picture of employee benefits and child care services, as an option for employer support?

Each of these issues is discussed in turn.

**1) Does the Community Shares address a real need that is of critical importance to employers?**

Chapter 1 addressed the rationale for Community Shares which in part was based on findings from the survey of Portland employees. Most important about the employee survey was the approach. It did not ask employees to state their needs nor to state what they thought management should provide. Rather, the survey examined current family circumstances, child care, and workplace behaviors; and analyzed the relationship between difficulties experienced at home and at work. As a result, employers felt that the survey provided them with credible evidence of how the child care situations of employees affected their work. The survey established some of the basic assumptions underlying the need for the service about which many employers had fundamental doubts.

**2) Is Community Shares an employee benefit or a community service? Can it be both?**

Community Shares was conceptualized as a two-sided argument to win corporate support. The marketing was purposely designed to appeal to



business interests, stressing a new employee benefit with the potential to affect business productivity. Employers were asked to create an employee benefit, not to make a charitable contribution. At the same time, employers were encouraged to participate so that, with sufficient participation the business community collectively would create a needed community service which no other source of funds could provide. Employers were being asked to do something not just in their own interests, but for the larger gain of the community.

As it turned out, these two sides of the argument were at odds with one another. Companies were pleased to contribute to a larger community purpose, if it made good business sense. They were willing to sponsor the service for their employees and even for others who could not afford it. However, benefit managers from a number of companies balked at carrying the weight for companies that did not participate. In essence they said "Why should our company pay, if the company down the street does not, yet their employees can still call up 4-C and get a free referral?" In response to this pressure, 4-C agreed to charge employees from companies which did not join--\$10 per referral or \$25 per year, at first. After 6 months a decision was made to raise the rate to \$50 for a yearly membership, and later the practice was discontinued and the telephone service reserved for employees of participating companies.

Could Community Shares have been marketed to the business community based on a charitable appeal to finance it as a community service? Probably not, for several reasons:

- An appeal for charitable dollars would have pitted the effort against the United Way in competition which would not have been politically feasible.

- A charitable appeal probably would not have produced sufficient funds nor a stable funding base.

- The primary reason for developing an alternative funding base was that United Way and government agencies tend to assign a low priority to the needs of employees compared to the more urgent needs of the homeless and poor.

In the long run, Community Shares needs a diversified financing base that includes all kinds of employers as well as some United Way and government support to purchase service for those most marginal in society, those seeking employment, or those making the difficult transition from welfare to workforce. Although the core concept of Community Shares as a special kind of employee benefit is probably a sound one, the program is also, in fact, a social service that has a contribution to make in the system of services a community has to

offer.

Conflicts did arise in the Portland community between 4-C and other social agencies especially child care programs and neighborhood-based information and referral services. Their perception was that 4-C was moving to the inside track for corporate dollars at a time when financing was difficult to obtain. Community Shares appealed to corporations in part because it offered a "one-call service" for the child care needs of a broad cross section of the workforce. Employee choice and benefit equity would be preserved, and employers would not have to deal directly with a confusing array of child care agencies as resources for their employees. Corporations seek a simplified way to relate both to community services providing child care and to community demand for support of services.

The community of agencies providing child care services is preoccupied with survival, competition for scarce resources, territorial claims, parochial interests, mutual distrust and long memories of misdeeds. In this environment, few incentives exist for cooperation, despite a manifest need for performance of complementary functions, combining centralized child care planning and neighborhood-based resource development. However, Community Shares moved to fill a leadership

vacuum and establish strong relationships with many corporations and agencies. It is no easy task to create a comprehensive metropolitan system of child care resources and services, but it is a task in which all sectors of the community must share, if it is to happen at all.

**3) Is Community Shares generally applicable to all sizes and kinds of companies or organizations?**

The first 17 companies and agencies to participate in Community Shares were among Portland's largest organizations. Similar findings came from a survey of 150 Portland companies reporting on the child care options that they had considered and rejected or adopted. In this May 1984 survey by the City Club of Portland, 81 percent had not considered contracting with 4-C for child care informational referral services, while 6 percent had rejected the idea. Thus, despite nearly two years of effort, Community Shares still faced an undeveloped market in which most companies had not yet given serious consideration to an information service as a benefit option. Those that had, tended to be the larger companies--companies having a workforce on a scale that calls for formally organized human resources--and companies in which two-thirds of the workforce were women. See Appendix C and page 48-a for a summary of the major findings.



Table 4.1  
City Club Survey of Child Care Options Used by  
Portland Employers

|                                                                            | <u>Operating</u> | <u>Rejected<br/>or No Plan</u> | <u>Not<br/>Considered</u> | <u>Considered<br/>&amp; Have Plan</u> |
|----------------------------------------------------------------------------|------------------|--------------------------------|---------------------------|---------------------------------------|
| Flexible Hours for Child<br>Care Emergencies                               | 56%              | 10%                            | 33%                       | 1%                                    |
| Sick Leave for Family<br>Illness                                           | 43%              | 22%                            | 35%                       | 0                                     |
| Flexible Hours for<br>Regular Child Care                                   | 38%              | 15%                            | 45%                       | 2%                                    |
| Shared Working Positions                                                   | 29%              | 16%                            | 55%                       | 0                                     |
| Child Care Information<br>Bulletins                                        | 11%              | 16%                            | 72%                       | 1%                                    |
| Child Care Information<br>and Referral Service                             | 3%               | 15%                            | 81%                       | 1%                                    |
| Off-Site Child Care<br>Facility                                            | 1%               | 18%                            | 80%                       | 1%                                    |
| On-Site Child Care<br>Facility                                             | 1%               | 23%                            | 74%                       | 2%                                    |
| Payment of Child Care in<br>Lieu of Salary or Other<br>Benefits            | 1%               | 19%                            | 79%                       | 1%                                    |
| Child Care Information and<br>Referral Service in New<br>Employee Handbook | 2%               | 13%                            | 82%                       | 3%                                    |

Note: "Rejected or No Plan" implemented includes 1) options considered, but no plan implemented, 2) union discussed options and, 3) options rejected because of the cost or other reasons.



The decision to charge employees from non-participating companies was sensible in recognition of the fact that most of the community's employees work for small companies. At its present stage of development, Community Shares markets itself best to larger companies, leaving other employees very much on their own to learn about the service from publicity and to contract individually at their own expense. Other avenues, such as contracting with union groups or associations of small companies (such as restaurants) also offer possible but as yet untried methods for reaching and serving the vast pool of employees of small business. Ultimately, unless the employees of small company size are reached by one means or another and unless more companies are recruited in large numbers, Community Shares will underserve significant populations of employees, and the large companies participating may feel that they are carrying an unfair burden.

#### **4) What is the right price to charge for the service?**

A major issue that threatened the survival of the program was what price to charge for the service. An attempt was made to steer between the Scylla and Charybdis of a price below break-even, at which an expanding operation would lose money, or a price so high that it would be difficult to attract wide participation.

In the months before start-up, between March 1 and July 1, 1984, 4-C encountered resistance to paying the rate presented at the March 1 forum. The price seemed too high. Many companies were not convinced about what the service provided or required in effort. They wanted it for less. Since the early participants Kaiser and PGE, had not fully appreciated the value of the service until they had experience with it, 4-C decided that discounting the rate would be only a temporary necessity. An average 30 percent discounting occurred among initial contracts.

The funding formula was based primarily on company size. It had to be simple, yet take into account both fixed and variable costs. The formula charged a 1000-employee firm approximately \$4000. However, three months into the program it became clear to 4-C that the initial rate was too low, even if fully paid without discount. The rate was below the break-even point, when recruitment and screening of resources were included in the budget. At the beginning rate, a new drive to recruit companies and agencies to participate would overload the service with calls that could not be handled by existing staff and budget.

A decision was made to increase the rates dramatically, tripling the

original rate. The formula and new schedule, with the old schedule for comparison, were as follows:

| Formula                               | Price Schedule        |             |             |
|---------------------------------------|-----------------------|-------------|-------------|
| • Program set-up fee: \$2000          | <u># of Employees</u> | <u>1984</u> | <u>1985</u> |
| • Materials: \$50 per 100 employees   | 100                   | \$1,020     | \$2,776     |
| • Services: \$22 x 1/3 # of employees | 350                   | 2,313       | 4,880       |
|                                       | 750                   | 3,664       | 8,184       |
|                                       | 1000                  | 4,050       | 10,326      |
|                                       | 1500                  | 5,825       | 14,500      |
|                                       | 2000                  | 7,600       | 18,652      |
|                                       | 2500                  | 8,137       | 22,826      |
|                                       | 3000                  | 9,665       | 27,000      |
|                                       | 3500                  | 11,195      | 31,125      |
|                                       | 4000                  | 12,720      | 35,326      |

The increase did not meet with enthusiasm. One benefits manager felt trapped, others expressed irritation and anger, while some understood and accepted the new rate. At this writing, most of the original companies appear to have accepted the higher rate or to be close to doing so. On

March 7, 1985, representatives of the 14 charter contracting companies participated in a meeting to evaluate the progress made by Community Shares, discuss the issues, and assist in launching a renewed marketing drive. One company executive saw a temporary need for higher rates, but asked whether the price could be lowered once a broad base of participating groups was established. Will there be economies of scale or will the unit price of referrals remain the same? We will return to this critical issue after describing the service more precisely.

Due to constant growth in services, budgets, and volume of activity, it has not been possible reliably to estimate the unit cost per referral, if the cost of recruitment, resource development, and quality screening are included, as they must be. \$100 per referral is the amount paid by IBM (through Work/Family Directions in Boston) under its contract with 4-C. Under 4-C's rates during the first six months after July 1, 1984, an employee from a non-participating company was asked to pay \$10 per referral. This was later raised to \$50 for a year's subscription to referral services. Approximately 400 such employees paid the \$10 per referral, but 4-C's experience with the \$50 rate was poor, and they discontinued serving non-affiliated customers.

The cost of the service is difficult to describe also because it has expanded constantly at the same time that it has undergone a transition from grant support to corporate subscription. Total funds have been estimated by 4-C as follows:

|                | <u>1984-85</u> | <u>1985-86</u> |
|----------------|----------------|----------------|
| Total funds    | \$220,000      | \$350,000      |
| Federal \$s    | 36%            | 3%             |
| Foundation \$s | 23%            | 24%            |
| Corporate \$s  | 41%            | 73%            |

**5) Exactly what is being purchased? What are the essential elements of the service?**

Whether or not the price is perceived as reasonable depends on an understanding of the essential elements of the service being purchased. The aspect of the service that is most apparent and easily understood is that which takes place during a telephone call when an employee asks for assistance in finding child care. Following a computer search to match needs and resources, 4-C staff check out the current availability of the resource and call back with a confirmed referral. Even here, however, the service consists of more than a mechanical search and confirmation of a computerized file of resources. The service consists of information,



advice and counsel that may deal with many facets of an employee's child care crisis--discussing what to do, which kind of child care, the needs of the child, the family circumstances, and the requirements of the job. The service involves assisting a parent with a critical decision. Sensitive and qualified staff are needed to conduct this telephone interview.

Other elements of the service lie in the background behind the telephone call. While not visible to the public, these elements of the service are no less essential and affect the adequacy of the information that is available to the service. There are two key elements:

- 1) recruitment or development of a sufficient quantity of child care resources, and

- 2) screening, monitoring, evaluating, and regulating the quality of child care resources made available to employees.

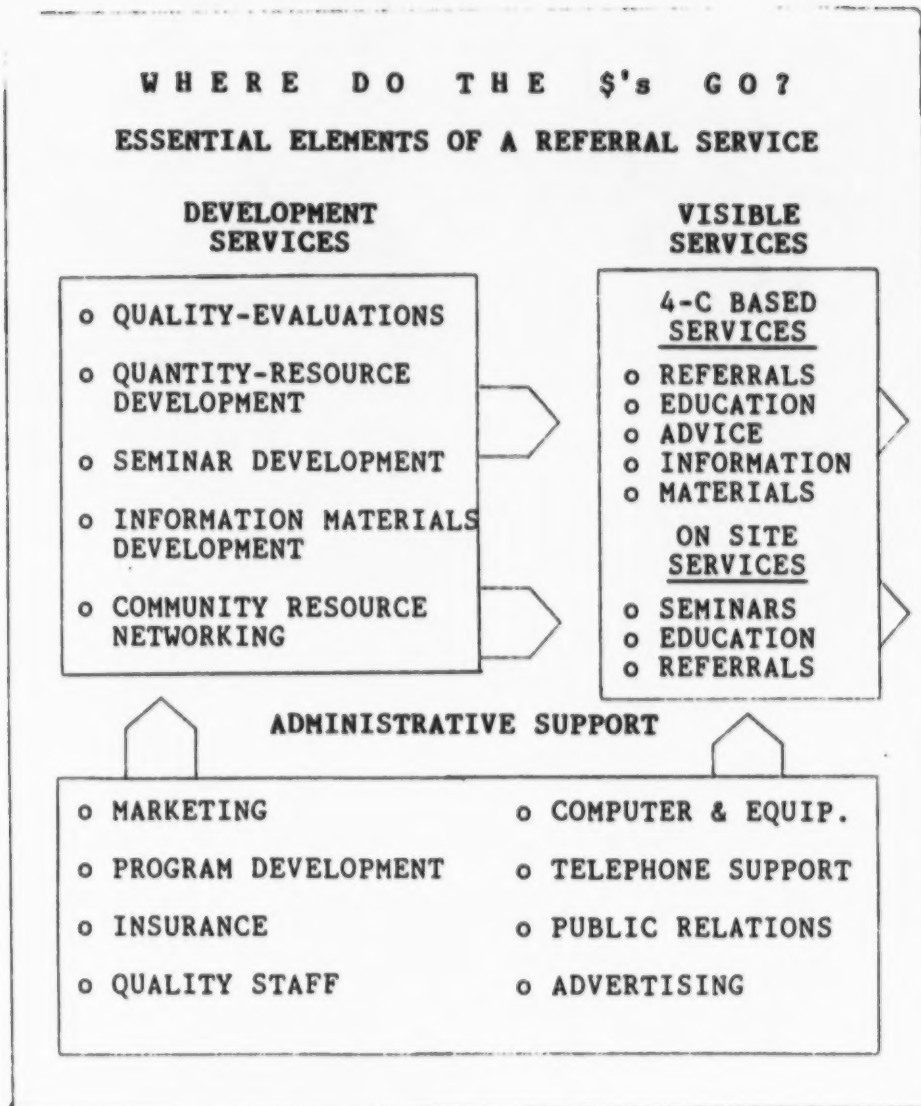
An information and referral service that cannot gain access to an adequate, geographically distributed supply of resources cannot operate successfully or for long. Constant recruitment of family day care homes for example, is essential to a referral service. 4-C reports a turnover rate of more than 10 percent every six weeks in family day care providers listing themselves as available. Geographic distribution is still uneven

for a service that must provide geographic proximity and convenience. The number of Portland employees using family day care far exceeds the number of family day care homes available for referral. Recognizing that a referral service must have an ongoing recruitment component, 4-C is actively pursuing this aspect of the service through a \$40,000 Federal grant (Administration for Children, Youth, and Families, Office of Human Development Services) designed to increase the supply dramatically in selected neighborhoods on a demonstration basis.

Likewise, under a \$200,000, three-year grant from the Fred Meyer Charitable Trust, 4-C is addressing the problems of screening and evaluating the quality of family day care homes. Even after the non-recurring cost of screening the existing supply is past, screening for quality of care, coupled with recruitment of new resources, will be an on-going part of the service and a continuing expense to be borne by the fee hike for employers.

See Box 4.1 for a schematic summary of the essential elements of the service provided by Community Shares. In addition to the telephone call as a medium for the service, 4-C also provides on-site service at the employee's place of work, including advice, information, and brown-bag

Box 4.1: Where Do the \$'s Go?



seminars. These on-site group services increase the visibility of the service as an "in house", company-sponsored operation and increase its use by employees. Other methods of extending the service may also be possible. For example, 4-C could establish networks of affiliated agencies, groups, or neighborhood persons who assist in recruitment of child care resources.

**6) What outcomes should be expected from the service? How should the service be evaluated?**

During the first six months of Community Shares, employee participation in its services for the 14 companies with active contracts were as follows:

- referrals
- parent education
- on-site seminars
- distribution of printed information.

The highest participation rate was for Kaiser Permanente--a health

maintenance organization of approximately 3700 employees. During the 1984 calendar year, 480 Kaiser employees called for referrals. Thus, approximately 13 percent of the workforce used the referral service; approximately 37 percent of Kaiser employees with children under age 12 used the referral service. There is no perfect way to calculate the eligible population that might be expected to use the service, but as a gross guideline, 33 percent of employees in the Portland survey had children under the age of 12.

The six-month referral-service participation rates for an insurance company (in which approximately 29 percent of employees had children under 12) were: 6% of the workforce and 21% of the estimated number of employees with children under 12. Thus, one would estimate their annual participation rate to be comparable to that of Kaiser employees.

Among a sample of 555 employees who called 4-C for information or referral, a high level of satisfaction with the referral service was reported (79%). Exceptionally high levels of satisfaction were reported for other aspects of the service. A full report of this consumer survey is included in Appendix D. Of interest is that even among those parents who did not place their children in the child care suggested by the referral



service, 57% nevertheless were satisfied with the service. In 47 percent of the calls for referrals the parents placed their children in the homes or facilities offered by the service. How should one interpret this figure? To a degree it may represent inadequacies in the geographic accessibility and perceived quality of the available supply of resources for child care. It also may represent the fact that the names of homes and facilities are but one influence in a complex decision making process by which parents go about "shopping for" and making their child care arrangements. 4-C does not make the placements; the parents do. The referral service is not a deterministic process, and the decisions made by parents depend heavily on the perceived adequacy of the listed resources for their particular family.

Beyond consumer participation rates and satisfaction rates, how else should the service be evaluated? What about reduction of employee stress, absenteeism or turnover? It was not within the scope of this study to make that complicated assessment. Clearly, however, when the need to find child care arises, it can be a disruptive and stressful time. Another possibility exists: to the extent that employees previously had

been relying on older brothers or sisters for child care or their children had been looking after themselves, one would expect a significant reduction in absenteeism if these employees now made more reliable child care arrangements. These kinds of assumptions were not tested in this project.

Participation rates, placement rates and satisfaction rates probably offer the best low-cost methods for assessing the outcomes, since these measures are influenced by the quantity and quality of the child care supply made available by the service, as well as by the manner and skill of the staff providing the service. Corroborating statistics will be the size capacity of child care centers and the number of family day care homes listed with the service as available resources within each geographic area or neighborhood in relation to the population of employed parents. Other useful indicators of short supply include the average distance travelled daily for day care.

A question still remains as to whether a centralized information and referral program, even one with an aggressive program devoted to recruitment of resources, will succeed in becoming the major source of

child care referrals for the city's workforce. Even if informal channels remain a major means of referral, the role of Community Shares probably addresses a gap in services that needs to be filled in that way. It can complement and reinforce other community efforts to improve child care and serve as a comprehensive source of information for all of the parties who need to be involved.

**7. Where does Community Shares fit in the larger picture of employee benefits and child care services, as an option for employer support?**

Community Shares is not the only child care benefit or policy that employers need to consider in promoting the most productive balance between the employee's work and family needs. Some of the options open to employers are not even "service remedies" but simply policies and management practices that afford needed flexibility. Some of these policies are widely implemented already, such as flexible hours and sick leave for family members. This is evident from the City Club survey cited above. Relative to these options, Community Shares, i.e., contracting for an information and referral service, still ranks low in frequency of

use. Indeed, it ranks not far above an on-site center which is a radically more expensive type of child care benefit and one which creates inequities by expensively serving a relatively small proportion of the workforce. Those companies that are inclined to pay child care benefits, increasingly are doing so as part of a "cafeteria" or flexible benefit plan in which child care is but one item on a menu of benefits for all employees.

It is reasonable to assume that such a flexible benefit plan would be more effective in a community that possessed a well functioning program such as Community Shares which can provide employees with maximum opportunities to select the kind of child care they want their children to have. Thus, Community Shares should not be seen as one exclusive option but as a service that can supplement other options, benefits, policies, and services within a comprehensive community approach.

As this report goes to press, that comprehensive community approach is not in place. Community Shares still cannot report the progress expected in the way of partnership between public and private sectors. One public agency is participating as an employer--Multnomah County, the largest county government in the Portland area. The United Way is considering its participation. A major union is also in process of deciding to contract for services. There is no permanent public funding in sight.

The Federal grants, start-up monies, and demonstration support were crucial in the beginning, but they are non-recurring.

Is there a role for government here? Should the private sector be expected to pay for all aspect of the service provided, for example involving assurance of quality of care, or for regulatory functions. A very large question remains as to whether or not a community can create and sustain an adequate system of child care services and resources without **some** underwriting by appropriate levels of government.

There are two reasons why responsibility may need to be shared by both the public and private sectors. One is logical, the other is political. The logical reason is that government has an ultimate responsibility to provide a mechanism for protecting children and for promoting the public interest when, and to the extent, that it is not served by other means. The political reason is that no comprehensive consortium and across-the-board community service probably can occur as long as any sector of society is expected to carry an unfair burden of costs and responsibility.



## Chapter 5

### Summary and Conclusions

In summary, what was learned from this experience? Community Shares may be seen as one example among many efforts across the country to shift the financing of a human service to the private sector from a long tradition of public funding. It came at a time when public funding for child care was at low ebb, at a time when the tide had not turned toward corporate support, and at a time when the priority of information and referral was under debate.

In this context, Community Shares was an important experiment. At issue was the feasibility of making such a shift in financing. Of interest were which factors contributed to that feasibility and which factors constrained the scope of the program.

As a community experiment in establishing a new mechanism for financing a human service, the effort must be judged successful. After one year of operation, seventeen employers, including Portland's leading corporations, were participating in Community Shares. Their contracts to purchase child care information and related services from the Child Care

Coordinating Council created an annual operating budget of more than \$300,000, plus additional foundation support for quality screening of family day care homes.

What are the major lessons learned about what is required for a community to achieve a similar outcome?

1) Success has many authors. Building community support and sustaining widespread interest are essential. It cannot be an isolated project. A community outcome requires a community process. Every endorsement by a public figure, every event of community support, and every corporate commitment added to the likelihood of further participation.

2) There is no substitute for sustained leadership. The required community process could not have happened on its own. It was made possible in Portland by Federal grants. To be sure there was strong public-private partnership and extensive community support, but Federal grants provided the bulk of the start-up costs and grants extended enough additional support to ensure a successful transition to self-support through corporate funding.

3) Objective research can settle nagging questions about employee needs and provide credible guidelines for corporate action. The visibility of the survey and its findings demonstrated need for the service.

4) There is power in a timely idea. The concept of Community Shares as a service and as a financing mechanism made sense to the corporate community. The service was perceived, probably correctly, as the next priority program for many companies and for the Portland community.

Nevertheless, the results had limitations both in the scope of the program that was achieved and in the comprehensiveness of community support that was won. The idea behind Community Shares was to involve enough corporations to underwrite a service for the community. After more than one year of operation, this goal has not been achieved. As of this writing, "Community Shares" is a service only for the employees of those companies and agencies that are contracting for the service. With the exception of Multnomah County, which contracted for service to families receiving mental health services as well as to County employees, no other contracts underwrite referral services for the general public. The United Way funds a variety of child care programs that are neighborhood based, but not 4-C's centralized information and referral program.

Corporate contracts with 4-C are now priced at a high enough level to support the program, but the number of participating companies will have to expand significantly before Community Shares can realize its ultimate goal. The program still receives little participation by small companies, which is where most employees work.

The goal of Community Shares is to create an open service for the entire community but the agency cannot responsibly undertake such a broad service unless someone pays for it. So far, significant numbers of companies have purchased a service for their own employees. Wider participation by employers is needed, plus wider participation by public and community agencies that address the needs of those who are marginally able to afford the service.

Further limitations in the development of financing for Community Shares have to do with program issues relating to the quantity and quality of resources for child care. A referral program cannot serve well without access to the vast resources of the community for family day care or for school age programs to cite two underdeveloped areas in the child care marketplace. A community must have sustained effort and planning to develop its child care resources and to address the needs of families. Nor

is there a simple solution to assuring quality of care or the protection of children in child care. No licensing law or screening program can do more than reinforce the quality of interest that is communicated among all those who share child care responsibilities. Community Shares means sharing the care, sharing the cost, and sharing the responsibility.



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Appendix A

Information About Materials Presented at Forum

# CHILD CARE & EMPLOYEE PRODUCTIVITY

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## THE WORKFORCE PARTNERSHIP

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# HARD TO FIND AND DIFFICULT TO MANAGE:

## THE EFFECTS OF CHILD CARE ON THE WORKPLACE

by Arthur C. Emlen and Paul E. Koren  
Regional Research Institute for Human Services  
Portland State University

### A Report to Employers

For distribution at a forum on Child Care and Employee  
Productivity: The Workforce Partnership, to be held March 1,  
1984 at the Westin-Benson, Portland, Oregon

\$2.00 each from

Regional Research Institute for  
Human Services

P.O. Box 751

Portland, Oregon 97207

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Nike  
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Standard Insurance  
Stoel Rives Boley Fraser &  
Wyle  
Tektronix  
Tri-Met  
Port of Portland  
Adult and Family Services  
Div.  
Childrens Services Div.  
Veterans Reg. Office &  
Hospital  
Multnomah Co. (health &  
environ)  
City of Portland  
Police Dept.  
Fire Dept.  
Water Dept.  
Small Depts. combined

Portland Public Schools  
Portland State University  
U.S. Postal Service

Small Business or Offices  
Continental Credit  
Harrison Typesetting  
J.C. Penney  
Pacific First Federal  
Safeway  
Westin-Benson  
Yaws

Small Agencies  
Child Care Coordinating  
Council  
Mult./Washington. Co.  
CETA  
N/NE Mental Health  
United Way  
Y.M.C.A.

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# COMMUNITY SHARES:

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## PROJECT DESCRIPTION

\$1.00 each from  
Regional Research Institute for  
Human Services  
P.O. Box 751  
Portland, Oregon 97207

IMPLEMENTATION DATE:  
JULY 1, 1984

- I - Concept
- II - Project Description
- III - Financing
- IV - Benefits
- V - Questions and Answers

Assistance Plan. All employees, regardless of income, need information regarding the location and selection of appropriate child care facilities. This information is crucial because the child care market is constantly changing. No listing or directory is useful for long. Unassisted, parents often lack the time or experience necessary for selection of quality services for their children.

### I. CONCEPT:

#### "COMMUNITY SHARES"

"Community Shares": A Public/Private Investment in Family Support and Employee Productivity is a joint project of the Child Care Coordinating Council (4-C) and Portland State University's Regional Research Institute for Human Services (RRI) to develop a comprehensive child care information service financed by employers. The idea is for 40 or more employers to purchase child care information services for their employees. The effect is to create a metropolitan resource by their aggregate action. For employers, this modest and affordable purchase of service for employees is justified by its contribution to company productivity. Yet when all of the "shares" are added together, the financing mechanism will underwrite a city-wide service that could not be accomplished solely through public funding or philanthropic sources.

The result sought is: a) improved functioning of the day care market, in which the potential supply of affordable child care is made accessible to families in a timely way, reducing the stresses associated with having to seek child care in the community; and, b) increased accessibility of quality child care throughout the tri-county area. This creative approach to the provision of child care services is the first of its kind in the country. We believe that Portland businesses can develop a model program which may be emulated in urban communities nationwide.

Employees generally need two kinds of assistance with child care. Low income parents may need financial assistance which can be dealt with in a variety of ways including a menu benefit plan, a voucher system, or by implementing the 1982 Dependent Care

### II. PROJECT DESCRIPTION

1. *Referral-4-C* referral specialists will be available to assist employees with child care issues and selection. We will provide employees with resources in the geographic area of their choice. With 1400 listings throughout the tri-county area, we have in our files all State licensed before- and after-school programs, day care centers, preschools, cooperatives and homes, as well as unlicensed homes, camps and summer programs. 4-C listings include evening and week-end child care resources. In order to provide quality referrals, child care resources are updated at six-week intervals. New child care listings are recruited on an ongoing basis.

When an employee contacts the referral service, she/he will be supplied with a number of child care facilities from which to make a selection. 4-C referral staff will continue to work with an employee until adequate care is found. Referral clients will be mailed guidelines and suggestions for selecting child care. An important part of the referral process is to assist the employees to become discriminating consumers of child care services.

2. *Employee Consultation*-Employees may contact 4-C with questions and concerns regarding child care, parenting and child development issues. Trained staff will be available to provide assistance.

3. *Workshops*-As a part of this program we will hold one workshop per year at each subscribing company work site to address the needs of working parents. We can supply the topic and materials, or if we are made aware of a specific area of interest for the employee group, we will address that topic. Working parents often experience frustration as they balance work and home responsibilities. The phenomenon of working women with young children is still so new that there are few role models, guidelines or resources for the often overwhelmed parent. Group discussions can provide support and information as well as relieve

# INCOME TAX CONSEQUENCES OF A CORPORATE CHILD CARE SERVICE OR BENEFIT

Prepared for the  
Child Care Coordinating Council  
by Wetzel and DeFrang

- I. Overview of employee payment of child care.
- II. Overview of employer payment of child care.
- III. Specific ways to provide child care services or benefits.
  - A. Employer has a written plan under I.R.C. Section 129.
  - B. Child care provided by VEBA.
  - C. Child care provided as part of Employer's Cafeteria Plan.
  - D. Employer contracts with 4-C to provide child care services.

## I. OVERVIEW OF EMPLOYEE PAYMENT

In general, if an employee pays for dependent care services for certain qualifying individuals, the employee is entitled to a tax credit. I.R.C. Section 44A. A qualifying individual is a child under age 15, or a dependent who is physically or mentally incapacitated. 1/ I.R.C. Section 44A (c) (1) and (2).

Up to \$10,000 of adjusted gross income, the amount of the credit is 30 percent of the taxpayer's child care expenses. After the adjusted gross income exceeds \$10,000, there is the following sliding scale based on adjusted gross income:

| Adjusted Gross Income | Percentage |
|-----------------------|------------|
| \$10,001-\$12,000     | 29%        |
| 12,001- 14,000        | 28%        |
| 14,001- 16,000        | 27%        |
| 16,001- 18,000        | 26%        |
| 18,001- 20,000        | 25%        |
| 20,001- 22,000        | 24%        |
| 22,001- 24,000        | 23%        |
| 24,001- 26,000        | 22%        |
| 26,001- 28,000        | 21%        |
| 28,001 and over       | 20%        |

1/ Under certain circumstances, the credit is available for a taxpayer who provides care to a spouse. Those circumstances will not be considered herein since this paper deals only with child care.

## I.R.C. Section 44A (a) (2).

The maximum amount of credit which can be taken for one child is \$2,400 per year, or \$4,800 per year if there are two or more children. I.R.C. Section 44A(d). As can be seen, the credit is most generous for those taxpayers in lower income brackets.

If an employee pays for child care and the employee takes a federal tax credit, Oregon provides for a tax credit. ORS 316.078. The Oregon tax credit is a percentage of the amount of the federal tax credit allowed. For a single child, the maximum amount of the Oregon tax credit per year is \$960, and for two or more children, the maximum amount of the credit per year is \$1,920.

In the absence of a specific statute, if the employer pays for dependent care services, the employee would have to include those payments in gross income. Under I.R.C. Section 129, if dependent care services are provided according to a written plan, the employee can exclude the employer's payments for dependent care services from his gross income.

Oregon has not adopted the equivalent of I.R.C. Section 129. This means that if the taxpayer has the dependent care services included from his federal gross income under I.R.C. Section 129 rather than taking the federal tax credit, the Oregon tax credit is not available to him. Also, the amount the taxpayer excludes for dependent care services from his gross income under federal law would be included in his income under Oregon law. The amount included in income under Oregon law would also be subject to state withholding tax. ORS 316.162; 316.167.

## II. OVERVIEW OF EMPLOYER PAYMENT

If the employer pays for the expenses of providing child care services for the children of its employees, the employer can deduct the amount of the child care services on its federal and state tax returns as ordinary

# CHILD CARE INFORMATION SERVICE AN OPTION FOR EMPLOYER SUPPORT OF CHILD CARE

## CORPORATE INFORMATION SERVICES SUMMARY

A position paper from  
Catalyst's Corporate Child Care Resource  
Catalyst  
14 East 60th Street  
New York, NY 10022

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CCIS SUMMARY

Appendix B

Press Coverage  
(From February 1983 to March 1985)

# Day care information project begins

4C receives federal grant

by Leslie Fought, 4C

In January of this year the Child Care Coordinating Council (4-C) together with PSU's Regional Research Institute (RRI) submitted a concept paper to the Administration for Children, Youth and Families (ACYF) describing a child care research and development program for which we were seeking funding. In August ACYF requested of us a full proposal which was submitted to ACYF and reviewed by an outside panel. The proposal was given the highest recommendation of all programs reviewed by the panel. The program is to begin in January of 1983 and addresses the following issues:

- developing specific, geographically appropriate and useful indicators of child care supply, demand and need as a guide for providing information and referral services as well as for focused resource development.
- developing an accurate representation of the total day care market for planning agencies as a basis for establishing priorities in program development.
- developing more useful information for employers regarding development of day care service or benefit options for diverse employee groups.

The program will be developed in a series of steps. Step one involves surveying some 20,000 local employees from 40 firms representing a cross section of the business community. Data gathered will provide in-depth information regarding two areas of concern:

- the impact of employee child care needs upon the work place as expressed through absenteeism, lateness and interruptions.
- the present child care arrangements utilized by the working parent and the extent to which these arrangements are successful or are a cause of frustration.

Employee surveys will be based upon state-of-the-art methodology about child care and geographic analysis of child care supply and demand. The survey methodology, developed by Dr. Arthur Emien at the Regional Research Institute for Human Services at PSU, has been successfully tested during the past year with employees at Kaiser Hospitals.

This research and development program has been recognized as timely both nationally and locally. Portland Metropolitan studies by the Chamber of Commerce and the City Club reflect community concerns about the adequacy of the day care market to meet family and employer needs to assure a stable and productive work force. Similar studies of community day care needs have been implemented nationwide; however, fundamental, nagging questions persist about the nature and extent of day care problems and around the best solutions. ACYF believes that the Child Care Coordinating Council and the Regional Research Institute are in an excellent position to take our understanding of the day care market and its effects upon the family, the employer and the community an important step further. This project has been developed over the past year with the support of many people: 1) Kay Toran from the governor's office and a member of the Board of Directors of the PSU Foundation; 2) Dick Detwiler, PSU Development Officer who lent staff support and PSU Foundation support; 3) Margaret Browning, Director of the Helen Gordon Child Development Center; 4) a number of Portland employers; 5) PSU's Center for Population and Census which will supply needed census data for use in con-

structing additional neighborhood information. This is a joint program involving the Child Care Coordinating Council (4-C), a community social service agency and PSU's Regional Research Institute.

The 4-C Information and Referral Service is an integral part of the federal grant program. It is our premise that there is often enough available day care arrangements in part because the day care market does not function efficiently. There exists a communication breakdown between the consumer or parent and the product or day care facility. The reasons for this breakdown include:

- the high turnover of home facilities where 75% of the day care occurs — the turnover means that normal methods of communication such as a directory would be out of date within a few weeks.
- the day care home isolation factor, provider X who needs business may not know that working parent Y who needs child care lives only two blocks away.

The 4-C Referral Service, along with several neighborhood based day-care networks, is the major means of connecting day care supply and demand. It is our goal to link the survey data to the 4-C Referral Service in such a manner as to increase the efficiency of the local day care market. The survey material will greatly increase the information available to the Referral Office. The information will be especially valuable in focusing upon those geographic areas where child care is needed enabling the Referral Service to recruit day care home resources to meet client needs. Recruiting child care means contacting existing day care resources to see whether they are able or willing to deal with additional clients. In this manner existing child care facilities are strengthened and stabilized.

The 4-C Day Care Referral Service will make initial survey information available to neighborhood based day care networks thereby increasing the effectiveness of all referral networks in the tri county area. Further, 4-C will make the data dealing with day care facility listings available to interested employers so that child care referrals may be accessible to individuals at the work site. This mechanism allows the employer to supply a child care service for employees for minimal cost. Through the federal grant from the Administration for Children, Youth and Families, 4-C plans to develop an effective, area wide day care referral system including the 4-C service, neighborhood networks and businesses. The system will be capable of both linking the consumer to an appropriate facility and recruiting resources to meet consumer needs and should prove to be of lasting benefit to the community.

This program will be disseminated nationally to other metropolitan communities. The I & R related information of national significance that we expect to distill from this program includes:

- the degree to which public utilization of day care information and referral services reflects overall community day care needs.
- whether I & R services can be utilized by business to accurately track employee day care needs.

A final summary describing the project findings and results should be completed in February of 1984 and will be available to interested parties.

Portland  
Family  
Calendar

February  
1983



Oregonian  
April 9, 1983

Oregonian 4/9/83

## Child-care proposal endorsed

City Club members Friday endorsed the need for a Portland-area computerized child-care resource center that is \$4,000 closer to reality because of a fund-raising drive initiated this week by Rep. Ron Wyden, D-Ore.

The club voted to accept a report recommending that local businesses support an expanded and computerized child-care information and referral service to be run by the Child Care Coordination Council, known as 4-Cs.

Wyden presented two checks, for \$1,000 from Riedel International Inc. and for \$3,000 from Pacific Northwest Bell Telephone Co., to 4-Cs Director Leslie Faught at a morning news conference.

"I hope it will be the first of many donations," said Wyden, co-sponsor of the proposed Child Care Information and Referral Services Act, which would federally fund computerized referral services in large cities.

The report was the result of a two-year City Club committee study of working parents' day-care needs in the metropolitan area.

"I'm very convinced we're going to get a good response from the business community," they understand this is a key productivity issue," Wyden said.

The extent to which child-care problems affect job performance is being studied by 4-Cs with a \$202,625 grant from the Federal Office of Human Development Services.

Portland State University's Regional Research Institute for Human Services will help survey 20,000 employees of 40 different businesses in the tri-county area through four-page, anonymous questionnaires for all employees, even those without young children, in hope of showing employers the correlation.

Faught said that buying and programming the computer soon will enable 4-Cs to provide services more promptly once the needs are determined. The service that the non-profit agency now provides amounts to eight volumes requiring much clerical work, she said.



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# Washington Hot Line

by Congressman Ron Wyden

**Q. Finding top quality—yet affordable—child care services is a critical issue for single parent households, as well as those where both parents work. Are there efforts underway to help those looking for child care services?**

**A.** Yes, there are—in the Congress and in the Portland area.

The need for adequate child care services speaks for itself. According to the Department of Labor, during 1982, 55 percent of all children under age 18 had working mothers. For pre-school children, that percentage totalled 46 percent; for children between 6 and 17, 59 percent. In all, some 8.5 million mothers were in the labor force in 1982, up from 5.6 million in 1970.

In the Portland area, 4-C, the only areawide child care referral information service, has been working hand-in-hand with local child care providers, consumers and employers over the past 10 years to help provide those services. Yet despite those efforts, all the information necessary to figure out who needs services, where they need them, and what they can afford to pay for them is still not available.

Earlier this year, 4-C worked with Portland State University to obtain a \$200,000 federal grant to conduct a study assessing how child care affects the workplace, as well as what the child care needs are in the Portland area.

Unfortunately, however, the grant alone will not be enough. 4-C does not have the final link needed to allow it to properly analyze and use the data it gathers. That missing link—as the Portland City Club acknowledges in a recently compiled report—is a computer system.

Last week I kicked off a drive to

help 4-C raise the \$15,000-\$20,000 it needs to purchase that computer system. I talked to private sources about raising the money—and last week I was able to present 4-C with the first \$4,000 toward that goal, which was donated by two local companies.

And for once, Congress is not behind the game. Efforts are underway at the federal level to expand this concept.

I am the cosponsor of a bill, the Child Care Information and Referral Services Act, which sets up an \$8 million federal grant program to fund new or improve existing child care information and referral clearinghouses.

The clearinghouses will work with families and providers to make the most efficient use of available resources by matching families' needs with providers' supplies. In other words, this bill will extend what 4-C is trying to do in Portland to the national level.

Because this legislation—and the 4-C project—will help working parents meet their child care needs, it will add up for Oregon and America. It will help increase productivity, because Oregonians will be better able to identify child care services that meet their unique needs. And by increasing productivity, it will help get Oregon and America back on the mend.

**Q. What is Congress doing to address the energy assistance needs of low-income citizens?**

**A.** Congress needs to come up with an insurance policy against bad weather and bad times for millions of needy Oregonians and other Americans.

That's why I joined Congressman Richard Ottinger (D-N.Y.) last week in introducing a bill to provide \$3

billion in low-income energy assistance during fiscal year 1984.

The bill would increase funding for the energy program by more than \$1 billion over 1983, and by nearly \$2 billion over what the Reagan Administration has requested for 1984. Oregon would receive between \$35-\$40 million of the money, up from \$24 million in fiscal year 1983.

This is the kind of program the Administration claims to support—a program that provides the neediest Americans with one of the basic necessities of life. And yet by its actions, the Administration has left millions of these vulnerable people out in the cold.

Statistics compiled by the Health and Human Services Department, indicate that only 7 million of an estimated 21 million eligible households are presently receiving assistance. And when one considers that the poor expend at least 35 percent of their income directly on energy, it becomes evident that there are a lot of people out there with little or no way to provide for other necessities.

The increased funding level is particularly important for Oregon, which is one of only four states to have committed all the available energy assistance funding by March 1. The state had anticipated the funds would hold out for an additional two months.

Oregonians have suffered more than most under the current, inadequately funded, energy assistance program. During Fiscal Year 1983, the state was able to pay only \$191 per family on average, compared to \$200 nationally. Now the state has completely obligated its funds, and I want to make sure we don't face a similar situation next year. I think our bill will do the trick.

# OUR TIMES

*Who's going to get off the dime and be a pioneer in child care?*

by Leslie Nudelman

Joan K. is a student at Portland State University studying business administration in hopes of landing a high-paying job. A \$600-a-month grant pays for her classes and expenses, including child care for her four-year-old daughter.

Joan, a 23-year-old single mother, has no family in Portland to take care of her child. Her friends and neighbors are "busy" or are also working women. She takes the bus from her east side home, delivers her daughter to child care and then rides to PSU.

Little money is left after buying food, clothing and books. Half the time she doesn't eat, according to her case record.

Across town in North Portland the Hutchisons (not their real name) have both been laid off from their jobs. Sam was employed part-time as an advertising salesperson. His wife, Mary, had a low-paying entry level job at Tektronix.

For three years they brought their child to child care and paid the minimum \$6 a day fee. They used their combined \$120 a week unemployment check to keep up the needed child care while they looked for work. As the unemployment ran out so did money for care for their son. Now the child is back at home with parents who are frustrated and flat broke.

There are thousands of cases similar to Joan K. and the Hutchisons in the Portland area. Single and desperate, the mothers are often forced to quit work to stay home and take care of their children. They turn to welfare which seriously damages their self-esteem. The kids lose their vital social contacts by not being with other children and live within a family of tension, poverty and disillusionment.

The City Club of Portland spent two years studying Portland's day care needs. They found that a central computerized child care resource center is essential to help solve the problems.

With 63,000 children in the Portland area in need of care and only 11 percent served by day care centers, the problem is serious and growing worse as more women enter the work force.

The City Club report, "Child Care Needs of Working Parents in the Portland Metropolitan Area," was released March 13. It states that the business community must play a major role in tackling the widespread problem.

"It is a societal problem, and business is certainly part of it," said Olive Barton, who chairs the committee studying the issue.

But after surveying seven Portland firms, among them the Port of Portland, Pacific Northwest Bell and Jantzen, all employing large numbers of women, the committee found them "slow" to respond to child care needs.

Meanwhile, statistics show that businesses with adequate child care provisions have noted increased productivity and less absenteeism from their female employees.

Specifically, the report recommends that corporate policies be revamped to include flexible working hours, job sharing and various fringe benefit packages that would help parents arrange child care.

It says an efficient way for business to respond is by helping to fund a computerized information and referral service to link child care providers with users. The lack of hard data on problems associated with inadequate care, the committee found, has forced employers to make uninformed decisions regarding child care options for their employees.

The Child Care Coordinating Council (known as 4C) would be a natural home for such a system. The council recently received a federal grant to establish a referral service and to survey local businesses concerning employees' child care needs. However, the service still requires local funding to be fully implemented.

Leslie Faught, a director of 4C, called the report "timely and pertinent." She blames businesses' hesitation to become more involved with child care on the economy and the issue of cost. Furthermore, she said, "child care is a new issue and business reacts like people to change."

The problem of what to do with children with working parents is great. For the first time in history, a majority of women are employed—52 percent. And one out of five children lives with single parents.

Unless help comes from the community, federal and state government and the employer, the report says the problem will grow even greater and more complex.

Contrary to popular belief, studies have found that child care does not have a harmful effect on a child's relationship to his mother, his intellectual development or emotional behavior. Instead, it stimulates the child and prevents many from ending up in special classes in school. Without child care, there is no one to exchange toys and equipment.

Presently only two organizations in Portland sponsor care—Holladay Park Hospital and Multnomah County.

On July 1, downtowners will have a



AIRIEL, THE DOG, GUARDS EMILY AS SHE ARRIVES HOME FROM SCHOOL.

RAE CAREY

new children's learning center in the city. Pemrose Park, a 5300-square-foot center on the second floor of the Pacific First Federal Building, will be open. It will take care of 100 children, ages one to six.

If parents like Joan K. and the Hutchisons are without funds for child care, what is next? The study said it is clear that child care costs will escalate as costs rise and subsidies are reduced and eliminated. In some cases, this places an impossible burden on the parents.

The state budget crisis has drastically reduced the funding of child care programs. It now stands at \$7.8 million, representing a reduction of almost two thirds of child care funding since 1980.

The problem is accentuated by the fact that a woman makes 59 cents for every dollar a man earns. In the 24 months the committee spent studying the problem, they saw a major shift away from government spending toward placing the entire burden on the parent.

The committee suggests participation by business, government and community be strengthened and upgraded to help parents meet their responsibilities for their child's needs.

It also called on neighborhood associations, community agencies and local foundations to assist in the development of formal child care programs. Furthermore, they should cooperate with any referral service by providing input and information from their own areas.

**EDITOR'S NOTE:** *The Downtowner welcomes letters from those of you who are affected by the lack of child care or from those who have found their own solutions and wish to share them. Do you have an issue you'd like the Downtowner to raise? Send us your ideas, c/o Editor Maggi White, P.O. Box 4227, Portland, OR 97208.*



June 10, 1983

# Child-care plans viewed as good business

By JANN MITCHELL  
of The Oregonian staff

Twenty-two of Portland's top business executives accepted a White House invitation to lunch Thursday.

The executives were told they could save money and improve productivity by recognizing and supporting the child-care needs of employees.

The luncheon at the Marriott Hotel was part of a program sponsored by President Reagan's Advisory Council on Private Sector Initiatives.

Top officials of large companies in three cities are being invited to luncheons that are paid for by a local executive. In Portland, the host was William Wilke, chairman of the board and president of First Interstate Bank of Oregon.

The speaker was Marie Oser, executive director of the Texas Institute for Families, which has worked since 1976 to create a corporate awareness of child-care concerns.

Her message was that child care has turned from a "woman's issue" into an employer's issue and even a national concern.

The luncheon gatherings are a way of catching the ear of top executives who usually know little about — but who are in a position to remedy — the problems working parents have with child care, Oser said. With invitations from the White House, they have a tendency to take notice.

Portland was selected as a test project, along with Nashville, Tenn., and Hartford, Conn., because it already had demonstrated some corporate responsibility for child care, said Richard Schlaff, coordinator of the advisory council.

Following recommendations of a study by the City

Club of Portland, local businesses contributed money for a computerized child-care information and referral system. A federally funded survey is under way in Portland to determine child-care needs and to show employers how those needs affect the jobs of working parents.

Oser and Schlaff met with local child-care coordinators Wednesday night. Questionnaires the chief executives filled out after Thursday's lunch will be compiled to see if the luncheons are effective. If so, 12 more would be held in other cities, Schlaff said.

"We don't expect great miracles out of this," Oser said in an interview. "Business is business. But our

task is to help them understand that it's good business.

"We're talking about the health and wealth of this country," she said. "The children raised today are the employees of tomorrow."

When employers offer some kind of child-care assistance, Oser told the executives, absenteeism and tardiness are reduced and employees feel more loyal and want to do a better job.

Options she introduced included subsidized child-care payments, leave policies for personal or children's illness, information and referral service, employee seminars on time management and organization, and employee support groups.



# Improving The Information Base for Planning Child Care Services

by Raymond C. Collins and Patricia Divine-Hawkins

A major initiative to launch a computerized child care information and referral service is underway in Portland, Oregon. Two populations will benefit from this innovative service. Parents will be able to obtain information about child care opportunities suited to their family needs and work circumstances. Business firms interested in initiating employer-supported child care will have access to the information necessary to work with day care providers and other partners in such community-wide projects.

The development of this computerized information and referral network is part of a larger research project designed to explore the relationship between work and child care needs of employees. The study, conducted by the Regional Research Institute for Human Services at Portland State University and the Portland Child Care Coordinating Council, under an 18-month grant from the Administration for Children, Youth and Families (ACYF), is analyzing relationships between family demographics and child care circumstances, on the one hand, and such job factors as absenteeism, work requirements and employment policies, on the other. It covers supply and demand in the day care market, as well as the roles of families, employers, unions and other employee groups, community organizations and local government in addressing child care issues.

Surveys will be conducted among nearly 30,000 employees

of 30 to 40 Portland-area employers. These will provide the basis for individual reports to participating companies. They will also contribute to a broad profile of employment and day care patterns in the Portland area. Neighborhood profiles will identify relationships between child care demand and supply, utilizing data from the employee surveys, the computerized information and referral network and the 1980 U.S. Census.

As part of an overall dissemination strategy, project staff will consult with employers and local groups in the Portland area. The grant from ACYF also provides for national dissemination efforts

and some training and technical assistance to employers and communities in other sections of the country who wish to undertake similar projects.

More information on the computerized information and referral service and its parent project is available from Patricia Divine-Hawkins, Office of Program Development, ACYF, P.O. Box 1182, Washington, D.C. 20013; Arthur C. Emlen, Director, Regional Research Institute for Human Services, Portland State University, P.O. Box 751, Portland, Ore. 97207; and Leslie Faught, Executive Director, Child Care Coordinating Council, 1110 S.E. Alder St., Portland, Ore. 97214. ■



# The State of Oregon

NEWS FLASHES

AND LIVELY DISPATCHES FROM AROUND THE STATE

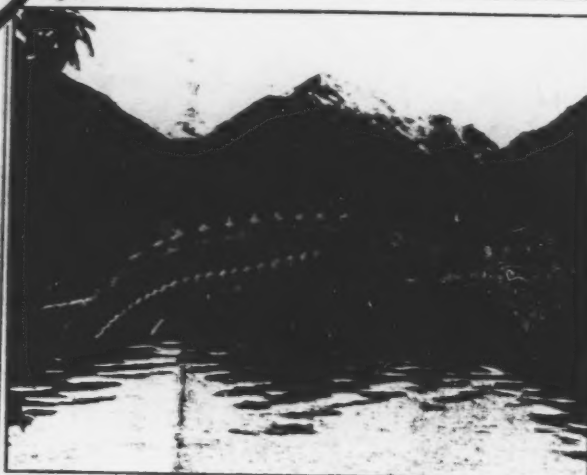
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## 4-C-ing Solutions

**PORTLAND**—Happy Monday. You have a meeting this afternoon on a deal you've been nurturing for months, two reports to wrap up before then, a secretary home because her daughter's babysitter has the flu and a teething babe of your own who cried all the way to his day-care center. Somewhere in this morning madness your boss mentions that your company will be taking part in a study on whether the child-care needs of working parents affect job productivity. It's too much. You can't hold back the tension-relieving guffaw. "A study? You don't need a study. Just look at me."

"The child-care problem is so obvious. It's the single biggest, everyday problem managers have to deal with," admits Leslie Faught, executive director of the Portland-based Child Care Coordinating Council, better known as 4-Cs. "But it has taken a long time to get the attention it deserves. There has never been a study—an analytically, statistically valid study—to document the productivity issue." Until now.

When the results of a landmark, eighteen-month, \$200,000 federally funded study are announced this month, Portland can expect to draw attention from all over the country as the city most attuned to its working parents' child care needs. This study, conducted jointly by 4-Cs and Portland State University's Regional Research Institute for Human Services, follows on the heels of a more general



Leaping lizards! It's Oregon's own Loch Ness Monster!

## Scylla or Sturgeon?

**ENTERPRISE**—The fabled Loch Ness Monster may have a cousin lurking in Eastern Oregon's Wallowa Lake, and the Wallowa County Chamber of Commerce wants the elusive creature, nicknamed Wally, to recruit tourists.

The Wallowa monster legend dates back hundreds of years; Indians say the creature swallowed a brave and princess as they crossed the lake. Recent sightings have reported a serpent anywhere from 30 to 100 feet long.

To boost tourism, the chamber formed the Monster Observation and Preservation Society (MOPS). T-shirts were printed and sold for \$8, the price including a lifetime membership in the organization ("the lifetime of the T-shirt," quips chamber member Henry "Hap" Taylor). An annual picnic in Sep-

tember features Monster Burgers and a sacrificial maiden, between 14 and 101, who would be offered to the monster at his request.

Most local residents think the Wallowa Lake Monster is probably a log, crashing waves or a big fish. "If anything's there, it's a big sturgeon," says Faye Cornwell, an Enterprise secretary.

But there are believers, like former skeptic Marge Cranmer of Joseph, who insists she saw the creature last year. "Nobody can tell me what I saw was a sturgeon," she says.

Monster or not, though, most everyone agrees the promotion can't hurt.

"Some people shake their heads and think we're crazy," says Taylor. "Others think it can only help the economy."

—Chuck Woodbury

survey on child care published in April by the City Club of Portland. Together, the reports will offer what Faught calls "state-of-the-art informa-

tion" on how working parents find and fund child care.

While the findings should come as no surprise to parents who have juggled jobs and ba-

bysitters, they will provide some cold, hard facts that may trigger a corporate response to a long-overlooked problem. "Alcoholism has been a big issue in business already," Faught points out, "but I think we'll find there are a lot more parents than alcoholics out in the workforce."

Already, the business community has turned a receptive ear to the issue, observes Olive Barton, who headed the City Club study committee. Since their report was delivered in April, "We've seen a significant impact, from the grassroots level up to corporate CEOs. The business community has always felt this wasn't their responsibility," says Barton, "but our feeling was, children are our nation's future." The very morning Barton was delivering her committee's report, Rep. Ron Wyden announced that \$4,000 had been raised from corporate donations to help buy a computer for 4-Cs' information and referral service.

The City Club study also gave an inkling of the numbers of families involved in the child-care picture. In the Portland metropolitan area alone, more than 63,000 children need daytime child care. The "traditional" family stereotype, of dad at work and mom home with the kids, now fits only one in nine American families. At all socioeconomic levels, parents are searching for a trustworthy soul to mind their little ones. Often, geography plays as big a factor in finding day care as anything else. Some 17 percent of Portland working parents use a neighbor for child care.

The emerging family, with working parents and children in day care, faces a daily merry-go-round of problems. The child gets sick, the sitter gets sick, the sitter moves, the sitter quits, the day-care center

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raises its fees out of reach—the list is seemingly endless. And each time a disruption occurs in the all-too-fragile network, the working parent carries a little more stress to the workplace. In a recent study of how workers at three Washington, D.C., companies arrange child care, Dr. Arthur Emlen of PSU found that work disruptions—absenteeism, lateness, stress—were twice as high among working parents seeking child care outside the home.

If child care is such a sweeping concern, why hasn't it been dealt with already?

"Partly because of an attitude that women who want to work should solve that issue themselves," Faught believes. "Women have been raised with the notion that they are the ones responsible for their kids. Now," she quickly adds, "we're not saying that parents are *not* responsible for their own children. But we are saying that there are ways to ease the burden."

Locally, a few steps are being taken to lessen the financial and logistical hassles long associated with day care. The YMCA offers its employees a menu approach to benefits,

meaning they can choose from a slate of perks, including reimbursement for child care. Portland General Electric and Kaiser Sunnyside Hospital contract with 4-Cs to provide screening and referrals for parents who need to find child care. And 4-Cs computerized its information and referral system in September, with funds from a blue-chip slate of local corporations, to serve better the 10,000 parents who call each year, looking for day care providers.

When the 4-Cs-PSU study is released this month, Portland will have a clear picture of

the problems of child care. The next step will be finding ways to solve them.

Suzie Boss

Oregonian

December 12, 1983

## Flexibility urged in child-care policies

By STEVE ERICKSON  
of The Oregonian staff

Employers in Portland could benefit from more flexible child-care policies for their employees, a survey indicates.

The survey reveals rather dramatically that family structure and ability to arrange child care have an impact on the work place in the form of absenteeism and stress. Arthur C. Emlen, director of the Regional Research Institute for Human Services at Portland State University, says in a report on the study.

"At the same time," Emlen added, "company policies and work requirements have an impact on families and, in return, on the employee's stress or well-being and ability to be at work."

"There may be payoff for both families and employees," Emlen said, "if we can improve the feasibility of the child-care connection."

The May 1983 survey covered more than 8,000 local workers and 33 companies or agencies. Included were employees of a fast-food chain, an athletic shoe manufacturer, a private hospital and a federal hospital, a law firm, high-technology company, public transportation, a shipyard, state and city agencies, PSU and public schools, and the U.S. Postal Service, Emlen said.

The survey, titled "Employer-Based Child Care Information," was supported by a grant from the federal Administration for Children, Youth and Families, an agency of the

U.S. Department of Health and Human Services.

"It is important to recognize at the outset that absenteeism is not necessarily a bad thing," Emlen's report said. "Loss of time from the job cannot automatically be equated with loss of productivity."

"A modest amount of employee flexibility in accommodating time from the job may be associated with high morale and productivity," he added. "For this reason, it probably is not wise to push the importance of reducing absenteeism too hard at the expense of flexibility."

Emlen said one purpose of the survey was to provide the local Child Care Coordinating Council with geographically analyzed information about child care demand, supply and need.

The private, non-profit council has offered a broad range of child care services in the tri-county area since 1970.

The geographic information, Emlen said, "will assist them as a child-care planning authority to know where to develop additional resources for their Information and Referral Service. Need indicators and neighborhood profiles show how well the child-care market is working in different areas of the city."

A second purpose, Emlen added, was "to assist employers to gain a better understanding of conditions that have an impact on their employees' ability to manage working and child care."

Emlen said that, "In many ways, the families of employees are supposed to be invisible."

He said affirmative-action regulations prevent questions about child care and family in hiring decisions. On the job, he added, "Norms of the work place say that how employees get to work is their business as long as they do, and on time, and leave their families behind. In reality, families are not so invisible."

The study, he said, dealt with "the interdependence and reciprocal effects of family, child care and work place."

One finding was "big differences in the absenteeism rates of men and women," Emlen said. "It is possible that women are more honest about it, though I don't think that holds up as an explanation."

Rather, he said, "Mothers are less likely to use vacation or personal leave than fathers when a child is sick, but more likely to use sick leave and three times as likely to take a day off without pay."

The survey's conclusions were presented by Emlen to the 1983 meeting of the National Association for the Education of Young Children, held Nov. 5 in Atlanta.

Leslie M. Faught, executive director of the Child Care Coordinating Council, said she was pleased with findings that "indicated a very high level of awareness of the issue and a sense of a real lack of information regarding this issue."

Oregonian 12/12/83



Congressman  
Ron Wyden  
Report

January 1984



**Access to affordable child care is a necessity for working parents. Ron demonstrates the use of a computer at the Child Care Coordinating Council that will allow working parents to find out about available child care service with just one call.**

In a plus for all working parents who need child care, I was able to help Portland's Child Care Co-

ordinating Council (4Cs) raise some \$21,000 from private sources for the purchase of a computer which will enable them to direct working parents to the most convenient—and appropriate—day care services.



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Page 3

## Workers polled on child care

Women have not traded the major concerns of child care for the demands of the working world, but they have accepted both as their responsibility, according to a recently completed study of 8,000 male and female employees in the tri-county area. Complete results of the survey, conducted by the Regional Research Institute for Human Services at Portland State University, will be released Thursday, March 1, in a public meeting at the Benson Hotel.

"Any way you slice it," says institute director Arthur Emlen, "there's a clear division of labor between the sexes where child care is concerned, and it is reflected in the workplace."

"Regardless of their income, women are carrying the major burden of child-care difficulties found in combining work and home."

Other findings from the survey:

- Women with children are absent from work, arrive late, leave early or are interrupted during the day more frequently than are men with children.
- Women suffer far greater stress over child care than men.

The committee evaluating the survey findings

contends that the employer has the most direct vested interest in seeing that information and referral services regarding child care be readily available to the employee.

With this in mind, the committee will be appealing to the business community to become partners with the existing Child Care Coordinating Council in order to provide complete service to employees. Employers would pay an annual fee to the council, and in return employees would get assistance in selecting appropriate child care.

Since 1981, the Child Care Coordinating Council has been primarily an information and referral service also offering seminars and employee consultation. It is supported by federal grants, foundation funds and private industries that purchase its services for their employees.

"Most child care happens in the family day-care homes," says Leslie Fraught, executive director of 4C's, and there is a turnover rate of 30-70 percent among the providers. That means that parents have to find care a number of times."

As Fraught and Emlen agree, resources unknown are resources unavailable.

## Correction 855

### Meeting to be by invitation only

A March 1 meeting at the Benson Hotel, at which time the results of a tri-county employee child-care study conducted by the Regional Research Institute for Human Services at Portland State University are to be released, will not be open to the public as previously announced in The Oregonian. It is by invitation only for employers.

A second meeting will be held for day care professionals, 3-5 p.m. on April 5 at Willamette Center. A third gathering is planned later in the spring for foundation representatives.

Readers may call The Oregonian's attention to errors by calling 221-8144 or writing to the Managing Editor, The Oregonian, 1229 S.W. Broadway, Portland, Ore. 97201.

Oregonian

Feb 17 1984

# Portland's productive approach to child care

by Michael Burgess

On March 1, the Portland business community may well have taken that first step toward dramatically improving productivity in the workplace.

No, no, no—not by shackling the workers to their word processors and drill presses and throwing them a carrot for lunch, but by joining forces with the Child Care Coordinating Council (4-C) to provide computerized child care referral services as an employee benefit.

The conference, entitled "Child Care and Employee Productivity: The Work Force Partnership," was held in the Mayfair Room of the Westin-Benson Hotel and offered a real opportunity for the chief executives of the area's top 500 employers to pick up the social service slack created by fewer federal dollars—and in a way that winds up making their firms ever so much more money than it costs.

Representatives from 170 companies showed up for the conference which, according to Leslie Faught, 4-C director, went very well. "It was important because it was kind of a kick-off event to let people know we're trying to sell them something to help their productivity and the community," said Faught. "The next step is to follow up and see if they're interested in buying a membership in the program."

She described the type of company most likely to plug into 4-C as being "large, with a progressive management and a sizable female workforce (at least 50 percent). We're asking the firms to come up with a decision by April 15; the program begins July 1."

It's one of those rare situations in the marketplace in which everyone wins. The employee gains the peace of mind that only comes from knowing someone more responsive than Sesame Street is watching the kids, the employer gains a workforce whose productive concentration isn't rattled with thoughts of the babysitter fixing Twinkies for dinner again or interrupted with telephone messages regarding lost house keys and strange noises coming from the basement, and the community gains by inaugurating a landmark program that does more than talk about how nice it would be if the public and private sectors pitched in together to get a job that needs doing done.

According to Faught, it all started with a simple question: Does concern over child care arrangements affect worker productivity? "We were certain it did," she told us when we met recently at her office, "but we didn't have the numbers."

The numbers she was talking about are those provided by sound statistical surveys and are the database bottomline corporate execs need to see before "taking lunch" with social service providers. Since there was no such database, Faught got together with Dr. Arthur Emlen, principal investigator with the Regional Research Institute for Human Services at Portland State University. The result was a report: "Hard to Find and Difficult to Manage: The Effects of Child Care on the Marketplace."

The first-of-its-kind study, conducted in May of last year and published jointly by Dr. Emlen and Paul E. Koren, surveyed a workforce sampling of 20,000 divided among 33 companies and agencies—large and small manufacturing concerns, hospitals, service industries, retail businesses and public agencies.

The results are hardly surprising to working parents: the daily difficulty in managing child care arrangements is reflected in four kinds of absenteeism: days missed, times late, times left early and times interrupted on the job. Strong correlations were also found in stress affecting job performance and employee health.

The numbers are nothing short of shocking in terms of lost productivity: For women employees with children in out-of-home care, there was a 65 percent

increase in days missed; 278 percent in times late; 74 percent in leaving work early; and 210 percent more interruptions.

As we might have guessed even in these liberated times, the travails of child care differ by sex. "More than men," the report stated, "it is women's lot to arrange child care, to maintain the relationships involved, to expend the daily effort of 'getting the show on the road,' to deal with emergencies that arise, to be

on call and in myriad ways to be the manager of daily life." Interestingly enough, when men and women of two-income families had a sick child, women were far more likely to stay home, taking a day without pay or using emergency leave. "Child care rather than personal illness appears to be the major variable which mediates sex differences in absence from work."

***'Everyone wins. The employee gains peace of mind . . . and the employer gains a workforce whose productive concentration isn't rattled with thoughts of the babysitter fixing Twinkies for dinner again . . . .'***

The survey divides child care into three categories: care at home by an adult, out-of-home care, and care by child. Fifty-six percent of the men and 16 percent of the women utilized home care by an adult. The roles are reversed with out-of-home care: 35 percent of the men and 56 percent of the women make these arrangements. Care by child (in which older siblings watch the child or the child watches TV and eats a peanut butter sandwich) is used by 15 percent of the men and 28 percent of the women.

Of the many conclusions reached in the report, the most crucial for child care providers and executive officers with an eye on worker productivity are these: First, "In many ways, the families of employees are supposed to be invisible . . . . In reality, families are not so invisible. The survey reveals rather dramatically that family structure and ability to arrange child care have an impact on the workplace in the form of absenteeism and stress." And second, "Employers need information about their employees; employees need information about resources; current and potential providers need information about child care demand; planning agencies need information about where to develop resources; and United Way, community foundations, public funding agencies and employers all need information in order to establish funding priorities."

"Addressing these needs is what the Benson conference was all about," Faught explained. Constituting a public/private investment in family support and employee productivity, the idea presented to the who's who of local commerce was that employers underwrite child care referral services for their employees. For their tax-deductible dollars, here's what they get: referrals to 4-C's 1400 listings in the tri-county area (licensed homes, day care centers, preschools, camps and summer programs), employee

consultations, workshops and printed resource materials. A sliding scale fee schedule based on number of employees provides a cost-efficient financing mechanism for a citywide service beyond the means of public funding and philanthropic sources.

The events leading up to the conference is a story in itself. Based on the track record of the Child Care Coordinating Council which has for the past 14 years provided referrals for its 1200 licensed day care homes, administered child care subsidies, trained and supplied support networks for child care workers, maintained a lending library for parents, children and professionals, and sponsored a child nutrition program—the Portland City Club last year recommended that 4-C's citywide information resources be computerized.

A funding drive spearheaded by Congressman Ron

Wyden raised the necessary \$21,500 in short order. The very next month, the Research Institute report on child care and productivity was published, and the month after that the White House Office of Private Sector Initiatives lunched local executive officers and touted the concept of underwriting an employee benefit plan aimed at child care management. The first to be impressed with the idea was Portland General Electric and the Kaiser Foundation. They implemented the service and were enthusiastic enough to provide keynote speakers for the conference.

So, once again, the little town in the outback of Oregon is in the spotlight. Aside from the White House, which director Faught told us is "watching the program with a great deal of interest," the city of Denver has plans to implement the idea, and national magazines have been poking around by telephone. "There is no program like this in the country," Faught said with appropriate professional pride.

And there aren't many meetings around with guest speaker lists like this one. It included: Gov. Vic Atiyeh; Richard Schlaff (associate director, White House Office of Private Sector Initiatives); PSU's Dr. Arthur Emlen, who conducted the study; Robert Shoemaker (president of the City Club); Kay Stepp (vice president for Human Resources at PGE); and Dan Wagster (chief executive officer at Kaiser Foundation). As if more endorsement were needed, the invitations were signed by Robert Short, board chairperson and chief executive officer of PGE, and Nellie Fox, director of legislation and political education for the Oregon AFL-CIO.

Even for those with a dependable babysitter not given to throwing legendary parties while the nippers are down for a nap, the outcome of the March 1 conference is important. The Portland business community has a real opportunity to take a leadership role in solving a child care/productivity challenge facing employers nationwide.

The ball, or in this case the checkbook, is in their court.

*Editor's note: For more information, contact the Child Care Coordinating Council at 1110 SE Alder, Portland, OR 97214 or call 238-4320.*



# Employer-paid services posed for child care

By DAN HORTSCH  
of The Oregonian staff

More than 100 executives of large companies listened to a proposal Thursday that their businesses pay for child-care information, referral and related services in order to reduce employee stress and improve productivity.

Sipping red or white wine or coffee courtesy of the federal government, they greeted the plan with curiosity and questions about cost.

The plan would use the services of the Child Care Coordinating Council, a private, non-profit information and referral organization that works in Multnomah, Washington and Clackamas counties.

The proposal for employer-paid referral and support services, a plan called Community Shares, arose out of joint efforts begun in 1981 by the council and the Regional Research Institute for Human Services at Portland State University, said Leslie M. Faught, executive director of the council.

The proposal agrees with a recommendation made in a City Club report last year on child-care problems.

The research — including a survey of employees of 33 large companies and public agencies — and the marketing of the proposal, including the two-hour conference Thursday in the Benson Hotel, has been financed by two federal grants totaling \$390,000.

Arthur C. Emlen, director of the PSU institute, outlined some of the problems employees face in obtaining satisfactory care for their children. The difficulties include higher absenteeism, especially for women, who bear the brunt of child-care responsibilities.

## Drawbacks cited

While child care on the work site often has been discussed as a solution in recent years, Emlen said that care on company grounds was too expensive for many businesses and not always convenient for parents, who often want care near their homes.

Since lack of information is one major difficulty parents face in finding good care, information and support services for employees with children could reduce stress and improve employee productivity at a modest cost to the employer, the study concluded.

The proposal from the child care council and the institute asks large employers to pay both fixed and variable fees. In return, the council would provide referral, employee consultation, annual workshops for parents, and, if the plan is financially successful, screening of homes in which child care is offered. That last benefit would be important since private home care makes up nearly 80 percent of child care services, Faught said.

Several questions centered on the cost of the plan. A company with 100 employees, for example, would pay \$1,020 for the service. A company with 1,500 employees would pay \$5,825.

A typical response came from Paul Himmelman, general manager of the Benson, which has 350 employees. He said the cost seemed large, even though backers of the plan felt the tax-deductible expense was relatively small.

He also asked if the child care council had thought of approaching smaller businesses. Faught said that once successful, the service might be extended to smaller companies.

## Pleased with response

Faught said she was pleased with the cautious responses because if they had discarded the idea completely, the executives wouldn't have asked searching questions.

Support for the proposal came from the White House, the governor's office and from representatives of Portland General Electric Co. and the Kaiser Foundation Health Plan of Oregon. Both companies purchase similar services from the council.

Faught, whose council hopes to have its information service on a computer by mid-April, told the audience that the information service still would be provided free to non-subscribers, but that parents whose employers do support the service will receive support beyond the information itself.

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SATURDAY, MARCH 3, 1984

## Take child care step

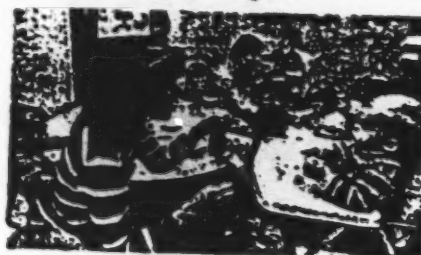
The relationship between reliable child care and employment opportunities is a bit like the weather. Everybody, it seems, from Congress on down to local community groups has been talking about it for years. Now Portland may be on the verge of doing something about it as a matter of good business.

Executives of many Portland-area corporations are reviewing the results of a study conducted by the Child Care Coordinating Council and the Regional Research Institute for Human Services of Portland State University. The goal is a communitywide referral system accommodating parents needing the service, child care providers wanting clients and employers seeking a stable work force. It is the type of arrangement that the City Club of Portland concluded a year ago was needed here.

Should the companies decide to fund the central referral service as a legitimate cost of doing business, they will create a national model that other cities may copy.

The study found a direct connection between suitable child care and worker productivity. About one-third of Portland's work force needs a place to leave children while parents are on the job. Change is so frequent that about two-thirds of this number will be shopping for care in the course of a year.

While there are many care centers, at least 1,400 inventoried so far, child care is largely a disorganized industry, with



about 80 percent of the listings in private homes.

The lack of dependable means of putting parent and provider together, according to the study, is a major cause of absenteeism from the job and a principal factor in employee stress. That is why business executives are contemplating financing the referral service.

The service would have nothing to do with paying for the costs of child care, which would remain a parental expense and certainly a separate problem, for the study also found that affordable care ranked with reliable care among employee concerns.

But establishing a central place where providers can list their services and parents can seek care for their youngsters has merit, especially if it comes with professional screening of facilities and counseling for the workers. It may indeed be a standard service in future employee benefits package in a society of working parents. And it may be closer to happening right here than anywhere else across the country.



3/10/74  
JOURNAL

# Child-care-needs survey sought

By JOHN PAINTER JR.  
of The Oregonian staff

855  
Portland City Commissioner Margaret D. Strachan will ask the City Council this week to approve a yearlong, \$60,780 demonstration project to assess the child-care needs of low-income parents.

The ordinance for the project, which will be announced in a Monday morning news conference, will be presented for council consideration at 10 a.m. Wednesday.

The project will test the effectiveness of child-care subsidies and employer-employee education on the job success and productivity of low-income, single parents.

It would be divided into three segments.

The first would provide four-month, short-term child-care vouchers for low-income, single parents

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**The report said the business community "has been slow to respond . . ."**

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who have completed training through the Portland Job Training Agency and found employment.

The agency has endorsed the project and will administer it, Strachan said. About 50 low-income, single parents are expected to participate.

The second segment would be an education program to train parents to be savvy child-care consumers, including how to evaluate child-care options and how to budget to pay for them.

The third component would be a consultation program for employers of single parents to advise them of the child-care tax credits available to them. It also would inform employers of personnel policy changes and other options that could improve the working conditions for and productivity of single parents.

The proposed project was designed by a special task force appointed by Strachan and headed by Cornetta Smith of the Albina Ministerial Alliance's Family Day-Care Program.

A study of the difficulties working parents face in managing child care was released this month by Arthur C. Emlen of the Portland State University Regional Research Institute for Human Services.

In part, the study showed that women employees with children in child care missed 65 percent more days, were late 278 percent more, left early 74 percent more often and had 210 percent more interruptions than women without children. Men faced some of the same problems, but not to the same degree.

Funding for the project would come from federal Housing and Community Development contingency funds controlled by the City Council.

The Emlen study coincided with another study on child-care needs released by the Portland City club in April 1983.

In that report, the City Club proposed the creation of a business-supported central, computerized child-care resource center that attracted the support of Rep. Ron Wyden, D-Ore., who started a fund-raising campaign to establish a computerized service through the Child Care Coordinating Council.

The report, two years in the making, said that about 68,000 children of Portland-area working parents needed care, and that the business community "has been slow to respond to employment-related child-care needs."

The absenteeism and productivity of working parents were affected by child-care problems, the City Club report said.

The study recommended that business personnel policies be revised to incorporate flexible working hours, job sharing and various fringe benefits that would help parents arrange day care.

The research institute and the Child Care Coordinating Council initiated a survey of 20,000 employees of 40 businesses in the tri-county area via an anonymous four-page questionnaire in the hope of showing employers the correlation between child-care problems and worker productivity.

The questionnaire included inquiries about work habits, tardiness and interruptions. The study released by Portland State is entitled "Hard to Find and Difficult to Manage: The Effects of Child Care on the Marketplace."

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THURSDAY, MARCH 22, 1984

*The Oregonian March 22, 1984*

## Mesh child care services

The city of Portland should be sure that its planned child care program for low-income parents takes advantage of the services expected to emerge from a child care referral and counseling center for the metropolitan area.

The referral service, including a listing and screening of facilities, is to be sponsored essentially by businesses responding to evidence that problems with the care of children have a direct effect on the productivity of employees. It is the brainchild of the Child Care Coordinating Council, but it goes a long step beyond the council's present referral operation.

City Commissioner Margaret D. Strachan's proposal deals specifically with child care for the poor, who need more than information. They need money to enhance the care that will enable them to keep their jobs.

While the two programs are different, they have common interests. Indeed, if they are not well coordinated, un-

necessary duplication could occur.

Both relate to findings of a study by the City Club of Portland and a survey of more than 8,000 employees by the Regional Research Institute of Portland State University. They made the case for affordable child care as a critical factor in the Portland work force. Absentee rates and job stress are directly connected to child care.

The city's program, financed by \$60,780 in federal Housing and Community Development funds as a one-year model for the nation, should make use of the screening, referral and counseling services that the coordinating council intends to offer in its partnership with business. These are areas in which the two programs come together, and one can benefit from the other.

Whether the resources come from the federal government or local business, the community should get the most for the money it spends on child care in support of employment.

# Care plan still stepchild of business

By JOHN M. VILLAUME

In February, 442 local firms received an invitation to participate in an innovative child care program that promised to be an example of how business could do what government could not.

To date, only a handful of firms have committed themselves to the program, called Community Shares.

As a result, the parents of the project—Art Emlen, director of the Regional Research Institute for Human Services, and Leslie Faught, executive director of the Child Care Coordinating Council—frankly are worried.

"In approaching the business community, we offered a package of child care services as a business proposition," Emlen said. "We did not approach them for a contribution to subsidize a community service."

Emlen referred to the results of a study completed last year that surveyed 8,000 employees at 35 Portland area firms. That study revealed that more than a quarter of working parents with child care arrangements are dissatisfied with them. It also indicated half of all working parents have difficulty in making satisfactory child care arrangements.

According to the survey, working parents with children under 18 years old are absent more often. Parents with children missed 18 percent more days, were late for work 20 percent more often, left early slightly more often, and interrupted their work day nearly twice as often as workers without children.

The study provided the empirical basis for devising a package of services that Emlen and Faught argue would lead to improve worker productivity. Community Shares' major services include:

- Access to an information bank listing approximately 1,400 child care providers in the Portland area.

- Personal counseling for working parents on child care, parenting and child development issues.

- Workshops conducted at firms to help working parents cope with conflicts between their work and their responsibilities as parents.

- The screening of child care facilities for employees of subscribing firms.

"To date, response has been promising, but not sufficient," Emlen said.

So far Nike, Good Samaritan Hospital, Portland General Electric, Kaiser-Permanente and NERCO have signed up with the program. The law firm of Stoel, Rives, Boley, Fraser and Wyse has agreed in principle and plans to reach a final agreement in the immediate future.

A seventh business, Burger King, supported the concept and had agreed to participate.

However, "after analyzing our employee data, Leslie [Faught] advised us against participating on the grounds we didn't have sufficient need," said Joe

*"To date, response has been promising, but not sufficient."*

Angle, owner of Burger King. "We're very supportive of the concept. If the business community can support something without eating up tax dollars, it's a good thing. It's one way we give back what we get," he added.

Although Burger King will not participate in Community Shares, it has contributed to the project.

Reaction on the part of those who have signed up has been enthusiastic. Firms offer several reasons for entering into a contract with the Child Care Coordinating Council.

"Nike strives to live up to a progressive image," said Paul Phillips, assistant to the director of corporate affairs. "We have a policy of meeting our employee needs. However, we're also concerned with the financial question. We're aware of 'work distraction,' how concern with off-the-job issues distracts the worker from job responsibilities."

Nike has generated a rough estimate of anticipated financial benefits, but "they are fairly general," Phillips said. "How do you put a dollar amount on something like that? Child care is a contemporary issue. The Community Shares program is right on. Everyone is interested in finding a solution to a recognized problem," he noted.

Nike has 1,100 workers, of whom approximately 60 percent are women. Thirty-three percent of women with children at Nike are single.

David Kopra, assistant to the director of administration at Stoel, Rives, Boley, Fraser and Wyse, said he anticipated an increase in productivity as a result of the program.

The firm plans to use the evaluation services offered as part of the Community Shares package. It will look at the number of workers who take advantage of the program, the degree of employee satisfaction and attendance records a year after implementing the project.

"These are things that can be measured. I think we'll see a measureable difference," Kopra said.

But Kopra also referred to a personal dimension in the firm's motivation. "If the employer can help the employee make a difficult personal decision, that's enough to justify getting into the program," he said.

Kopra hasn't approached other firms to promote their participation in Community Shares, but "I'm willing to recommend the program to anyone who would call," he said.

Out of a staff of 350 at Stoel, Rives, 31 percent of the women with children are single. A small proportion of men with children also are single.

Good Samaritan Hospital decided to participate on the grounds that Community Shares' information and referral system "rounded out the package of child care services we provide our employees," said Jackie Farah, coordinator for employee assistance programs. That system "will provide the missing piece—the ability to locate high-quality child care," she said.

Last year 75 employees used one of the child care services offered by Good Samaritan. These include counseling for parent employees and a "flexible benefits" program, in which employees can set aside \$5,000 in combined benefits and salary to draw upon for child care costs.

Despite the fact that services of this sort already are provided by Good Samaritan, "we had three requests for referral services in the first week after we agree to participate in Community Shares," Farah said. "This was before our participation was publicly announced. I think there's an accumulated need."

Those who have decided to participate in Community Shares may be enthusiastic enough, but so far there are not enough companies signed up to finance the operation.

Emlen and Faught initially had hoped about 40 employers would participate, thus ensuring \$160,000 to \$200,000 to finance the operation. That was in September.

Last week Faught said \$100,000 would be enough to guarantee Community Shares' start-up. Faught would not disclose the total dollar commitment from firms that have subscribed, but she did say that it fell short of the necessary \$100,000.

"We're still waiting for answers from



Nike's Paul Phillips  
... Company strives to be progressive

The President's Advisory Council on Private Sector Initiatives has taken a special interest in the Community Shares proposal.

Patricia Divine-Hawkins, a member of that council, pointed out: "The formulation of private-public partnerships for a communitywide, computerized information and referral system here in Portland also has important national implications."

She said Community Shares was consistent with a national policy of decentralization in which planning and decision-making is left to local communities.

"We believe that the private sector has a significant role to play in achieving this goal," she said.

approximately 20 firms to whom we made individual presentations. None of these have said no. And we anticipate answers from most by the end of the month."

A check with several firms indicated that was the case.

Dennis Beane, assistant vice president for benefits at U.S. Bancorp, said the firm was exploring the matter and would reach a decision soon. Similarly, Barbara Runyan, employee relations coordinator, said that First Interstate Bank of Oregon had the issue under consideration.

The Community Shares project rests on the assumption that business pursuing its own self-interest could better ensure financing for what is recognized as a community need.

"For employers, a modest and affordable purchase of service for employers is justified by its contribution to company productivity," according to the project's grant proposal. "Yet . . . the financial mechanism will underwrite a citywide service that could not be accomplished solely through public funding or philanthropic sources."

Community Shares also proposes to let the unemployed use its information and referral system for free. Employees from non-subscribing firms could use the system, but would be charged a service fee of \$15.



# Child care blues

*Employers should be sympathetic to workers' dilemma, expert says*

By LINDA HOSEK  
Of the Herald Staff

Companies need not open a day care center to keep employers with children happy.

Employers could benefit themselves and their employees if they provide an information and referral service on local day care facilities, a Portland State University researcher said Tuesday at St. Luke's General Hospital.

They should "assist all interested parties with the information they need for the decisions they have to make" on day care facilities, said Arthur Emlen, professor in social work and director of the Regional Research Institute for Human Services at the university.

"It is perceived as helpful and important," he said.

Emlen presented the results of a Portland study on the effects of child care on the workplace to about 20 local women who represented local day cares, child advocates and industry.

Other findings included:

- The level of income did not make much difference in determining the choice of child care. Difficulty in finding care appeared to be the major factor.

- The level of absenteeism associated with child care was higher among women than men.

- The women assumes more responsibility in child care arrangements, regardless of whether she is a single parent or married.

The program was jointly sponsored by the Whatcom County Child Care Task Force, the Whatcom Chamber of Commerce and Industry and St. Luke's, the

only area business to operate a day care center primarily for its employees.

"The task force has begun to explore ways to get schools, employees, parents and government agencies to come up with a solution for day care that will work in this community," said Joan Krebill, coordinator for Coalition for Child Advocacy. "Many can't afford day care and can't find day care that fits their children's needs."

The Portland study was based on a May 1983 survey of a workforce of 20,000 from 33 companies and agencies chosen to represent a broad cross-section of industries, occupations and income levels, Emlen said.

Survey questions focused on child care arrangements as well as absenteeism and stress, which potentially reflected difficulty in combining work and family responsibilities, he said.

Results showed families used combinations of arrangements, including care at home by an adult, care away from the home and care by an older child, he said.

Parents "expressed worry and showed the highest level of concern" when they relied on child care by another child, he said.

Relying on other children for child care was not a choice based on income, as the percentage of care by other children actually increased in families with higher incomes, he said.

"It clearly was not a poverty-driven decision," he said. "Good care is hard to find."

With regard to absenteeism, the results showed that men employees whose children remained at

home with a spouse or other adult were absent about the same number of days as employees without children.

Women employees who relied on care away from the home or on other children had the highest absenteeism rates.

"Absenteeism was revealed not to be a 'woman's problem' but a family solution," he said.

The results were seen as an indicator of who was carrying the child care responsibilities that made it possible for the employee to be at work and, more than half of the time, for a spouse to be at work as well, he said.

In two-income families, women were more likely than men to take the day off without pay or to take emergency leave to care for sick

children, he said. Thus, in families where both spouses earned incomes, women still appeared to carry a disproportional share of the child care responsibilities, he said.

"It is important to portray absenteeism as not necessarily bad," he said.

Absenteeism does not have to lead to a loss of productivity, depending on company flexibility and attitude, he said.

It also probably would not be eliminated by on-site day care facilities, he said.

"Employers are better off to encourage an atmosphere of some tolerance for (absenteeism) instead of trying to stomp it out," he said.





Arthur C. Emlen of Portland State University, above, says child care problems can hurt employee productivity. (Herald photo by Martin Waidelich)

# Parents face child-care decisions

By: LY DANKS  
of The Oregonian staff

"The hours that I work leave my daughter (under age 12) sleeping alone at home. She has to get herself up for school and off to school without any assistance. I work from 12 a.m. to 9 a.m. Also I have a large dog for protection during those hours she is alone which keeps her feeling safe at home at night."

"I feel it's very unsafe to leave my children alone during the day, but... I feel it's more important to feed them. This is the final deciding factor."

"I am happy with (our) child-care arrangements; however, half my wife's pay goes to child care."

What's a parent to do?

According to a 1983 survey that evoked those responses, child care is a major source of anxiety for workers in the Portland area — and there's often not a lot a parent can do.

In the Portland metropolitan area of Multnomah, Washington and Clackamas counties, the U.S. Census Bureau reports, there are nearly 80,000 working mothers with children under the age of 18. Of those women in the labor force, 28,504 or 36 percent, have at least one child under the age of 6.

Caring for tens of thousands of Portland children are 168 licensed centers and 1,200 day-care homes, estimated Leslie Faught, director of the Child Care Coordinating Council (4-C), an agency with those numbers on its referral list. Even more private homes provide an underground, word-of-mouth network of day care, some good and some bad.

But a large percentage of the children simply stay home alone or with an older brother or sister, all still under the age of 12.

"The proportion of kids looking after themselves is one evidence that there is a problem with day care and feeding day care in the Portland area," said Arthur Emlin, whose Regional Research Institute for Human Services at Portland State University conducted the yearlong study of the effects of child care on the workplace.

Of the 8,121 employees responding to the survey, 21 percent of the 2,457 families with children relied on day care by children. Fifty-three percent used some sort of out-of-home arrangement. Of that figure, 32 percent had children in the care of a non-relative in that person's home.

More than half — 57 percent — of the parents who leave their children at home by themselves are dissatisfied with that arrangement, while 23 percent don't like the day-care centers or family homes they use.

## Day care shut down

Recently, parents throughout Portland shuddered when police and the state Children Services Division closed down a private day-care home in Southeast Portland because of allegedly unsafe and unsanitary conditions.

Responding to a complaint from a telephone repairman who said children had been left in unsanitary conditions, authorities took nine children, ages 2 through 10, from the home of Diane Boner, 922 S.E. 35th Ave.

Faught said she had inspected Boner's home about three years ago when the day-care operator wanted on the U.S. Department of Agriculture food program administered by 4-C. "It was, frankly, a pretty dirty little place," Faught said. "It was pretty icky." As a result, Boner's home was dropped from the 4-C list.

The Oregonian contacted and inspected roughly 18 day-care centers and homes in Portland last week, and none had serious cleanliness problems.

"I would think that something that extreme (as Boner's home condition) is an exception," Faught stressed. "Most people don't live that way."

"I think it's terrible. My house isn't spotless, but it's not filthy. And it's pretty child-proof. With my own kids, I keep it safe." — Kay Myers

Kay Myers, a young mother who operates a day-care home from her two-story apartment on Southeast Powell Boulevard and has been in the business for nearly six years, said she knows she isn't a meticulous housekeeper and her house isn't fancy. The furnishings are simple, some of the toys are broken and strewn around the yards and floors and household clutter is piled on tables and in corners. Bread crusts and other remnants of the day's lunch are scattered in the dirt and grass of the back yard.

## Service inspected

But her day-care service recently passed the state inspection to be part of the nutrition program, and she keeps strict watch and records on what the children do and eat.

"I like the kids to think of it like their own home," Myers said. "They can go into any room — there's not just one little spot they have to stay in."

Myers, who charges between 75 cents and \$1.25 an hour "depending on the parents' ability to pay," said her charges "do a little bit of everything." They play games, watch cartoons, romp with her pet puppy and cats,

At this time, she is watching one child full-time and two part-time, in addition to her own two.

"If you don't motivate their minds, they will just be idiots. All my kids know mathematics, and we pick a new word from the dictionary to learn every day. I really don't think that sitting in front of the TV or throwing crayons at them is right." — Michelle Ferrier

Michelle Ferrier, a 27-year-old mother of one who said she fell in love with children when she was a teacher's aide while still in high school, has a waiting list for her in-home, day-care service on Southeast Ankeny Street. She watches no more than seven children at a time, from infants to 14-year-olds, including retarded youngsters, for \$1.25 an hour or \$12 a day for 10-hour days.

For no extra charge, Ferrier and her husband take her clients on once-a-week trips to the coast, river, area parks or berry fields. They also hit story hour at a nearby library and spend a lot of time at neighborhood swimming pools.

"The things that I find are free, we naturally go," Ferrier said. "Parents work and are busy and can't take them here and there, so it's a treat."

Even though her small, four-bedroom, two-story house is full of children most days, Ferrier said, "because they are happy, there's not the noise or yelling or fighting."

Stasia Thomas, a young grandmother at 52, just started her day-care service in the Southeast Alder Street home where she grew up. A cozy place filled with antiques, bright Oriental carpeting and newly painted walls, it also was home to her mother and grandmother. To prepare for day-care customers, she bought dolls, stuffed animals, a rocking horse and other toys at a thrift store.

## \$5 a day

Thomas said she "did this in a big way in San Diego," so she knows what mothers have to go through to find affordable, high-quality care. She charges \$5 a day for up to eight hours, and \$1 an hour after that. She said she would accept no more than two infants and two toddlers at one time.

"Sometimes you get so attached to some of the children you almost think you should pay the parents to keep them," Thomas said.

"I had a yucky feeling in the pit of my stomach, but the woman sounded so desperate over the phone. Then she came to look at the place and said she'd bring the medication for her son's hyperactivity." — Jan Beazely

Jan Beazely, who prides herself on providing "executive child care for the children of working professionals" in her \$200,000 Alameda Ridge home, noted that people who provide day care have to be as careful as parents looking for a good service — if they want to be successful.

She said she finally turned down the mother of the hyperactive boy because keeping him "wouldn't have been fair to all my other kids."

"I needed to set the pace," Beazely said, explaining that she puts in writing that she won't take children who are sick, feverish, vomiting, or have diarrhea or eye infections. "It's my home and my family, too."

Beazely charges \$2 an hour for infants in diapers and \$1.50 an hour for toddlers who are toilet-trained. "Charge \$6 a day and you get a type of person just interested in cost and not the quality of care," Beazely said.

She admitted that parents walk into her expensive home and "probably think, 'Why are you doing this?'" but she said she saw all the problems mothers had getting good child care while she worked at Nordstrom. "I did it for a friend, and I just got into it."

Although she has invested about \$1,500 to build and equip a fenced-in playground with clubhouse, sandbox and teeter-totter outside and a basement playroom with "treehouse," swing, tables and special toys for tykes, Beazely said she is bringing in about \$1,200 a month.

"We tell parents who come here that center-based care is not for everybody. There are trade-offs, as opposed to family-based care. If family care is good, there is a more intimate group and smaller ratio of children to adults. But then again, if the family-care provider is sick or closes, the parents are stuck." — Roberta L. Recker of Fruit and Flower.

Fruit and Flower, thought by many parents to be the top-of-the-line day-care center in the Portland area, currently cares for about 120 children between the ages of 6 weeks to 6 years. Because few day-care centers or in-home providers welcome infants, babies make up the bulk of its business.



## Kinds of care

A recent survey probed the child-care habits of working parents in the Portland area who had children under 12. These are some of the results:

- ✓ The children in 21% of the families are alone at home or cared for by a sibling who is 12 or under.
- ✓ Children in 53% of the homes are cared for out of the home:
  - 32% of the families have children in family day care.
  - 21% have children in day-care centers.

Source: Regional Research Institute for Human Services at Portland State University. The Oregonian/RENE SEIBART

Parents pay on a sliding scale according to income, but the top prices are among the highest in town. Costs range from a high of \$520 a month for infants between 6 weeks and 11 months who stay more than 10 hours a day, to \$485 a month for toddlers 1 to 2½ years old for a long day, and \$265 a month for 4 to 6-year-olds for a long day.

"We try to hire good staff and have consistency in our program," said Recker, Fruit and Flower program coordinator, of the cost.

### Activities planned

During a typical day in the seven-classroom building on Northwest Irving Street, toddlers participate in "activities that meet different needs of their development," Recker said. That includes small and large muscle development, social and emotional development, and cognitive development, she said.

Berean Child Care Center, in the basement of the Berean Baptist Church on North Vancouver Avenue, also stresses different activities for different types of development — but for \$38 a week for 10-hour days.

For the 27 children enrolled, that means playtime inside and out, dressing up and acting out in the "housekeeping" area, quiet time with books and discussions of words like "permission, sharing, listening, friendly and cooperate," and craft time with crayons, glue, colored yarn, paints and construction paper.

"When they leave here, they can print their names, and they are really ready for public school," Amy Henderson, one of the head teachers at Berean, proudly said.

Lynda Chittenden, 37, has owned and operated ABC Day School in Raleigh Hills for more than three years. "We really care about what happens to the children," she said, noting that her small school averages between 20 and 25 ½- to 10-year-olds each day. Cost there is \$45 a week for 11 hours a day.

"I'm not into it for the almighty dollar," Chittenden said. "It's a service for people who need it. It's rewarding for the kindness."

At ABC, the children gravitate from playroom with ladders, jungle gyms and playhouses, to a large middle room that holds cots with their own special blankets and sheets, to a preschool area with books, records and learning aids.

"We trust each other, almost like a private home," Chittenden said.

Monday: A look at day-care regulations, in Oregon and nationwide.





SHOW AND TELL — Twins Therese (left) and Shara Brazzle, nearly 3, show teacher aide Jan Crosby (left) and their grandmother, Emma Chiles,

the contents of plastic purse before getting ready to leave the Berean Child Care Center in North Portland.

The Oregonian/BRENT WOJAHN

# Success swamps Child Care's

## Community Shares

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By JOHN M. VILLAUME

Four months ago the Child Care Coordinating Council was worried it wouldn't get enough business to get started. Last week, director Leslie Faught was concerned that the council may have more business than it can handle.

In March this year, the council invited Portland businesses to take part in Community Shares. For a fee, the council would provide employees of participating firms an assortment of child-care-related services. These included referral services for parents seeking child care; individual counseling and on-site workshops on child-care issues; and access to a compu-

*In addition to providing referrals to employees from participating companies, the council has begun monthly seminars and individual counseling.*

terized data bank listing approximately 1,500 centers, cooperatives and homes that provide child care in the greater Portland area.

Fees for subscribing firms ranged upwards from \$500 a year depending upon services rendered and the number of employees at a particular firm. Representative fees initially published were \$1,020 for firms with 100 employees, \$2,212 for those with 350, and \$4,050 for firms with 1,000.

Early on, the council had estimated it would have to interest a minimum of 10 firms and raise at least \$100,000 (from both fees and grant support) for the program to start. It set April 15 as the date to decide whether it would be able to start on schedule July 1.

As the end of April came, only five

firms had signed up and Faught was worried that Community Shares wouldn't get off the ground.

Since then, however, nine other firms have subscribed. Combined contract fees and grant support have increased to \$200,000. \$90,000 in fees paid by subscribing companies, another \$90,000 federal support, and \$20,000 in foundation grants and other contributions. As a result Community Shares got underway as planned July 1.

Success in attracting sufficient business interest and financing has introduced new problems at the council. Response the first two months of operations has nearly swamped the council's ability to respond.

The council's staff serves 9,000 potential parent clients working at 15 firms and working or living in Multnomah, Clackamas, Washington and Clark counties. To handle the load, the staff is composed of the equivalent of 4.5 full-time people. "The first month we got 137 calls. The second month there were 337," Faught said. "There were times when all seven telephone lines were busy."

Adequately responding to a client's need can take up to "a couple hours" of staff time, she said. At the present rate of use, the council staff and facilities are being overwhelmed. "We could use several more staff, three or four more phone lines, and a larger computer," she said. "And that's just for referrals," she said.

In addition to providing referrals to employees from participating companies, the council has begun monthly seminars and individual counseling. It also handles general public inquiries — 238 in July alone — and provides referrals for parents from non-participating firms which are willing to pay a \$10 fee.

It's not that Faught is disappointed by the high utilization of services the council





Leslie Faught, executive director, supervises operations of the Child Care Coordinating Council. Working the telephones are, left, Karl Fantz and Carol Sweet.

Wes Lyle

provides. "The program has been a success so far," Faught said. "We started with the assumption there was a tremendous need. Response so far has demonstrated the need was in the community," she added. "And we are serving that need."

But Faught is convinced the council cannot operate at the present frenetic pace and continue providing quality service. Doing so may call for some major changes.

"When we dealt with firms initially, we negotiated our prices down from our published schedule," Faught said. "I think it was fair to do that," she argued, in order to attract companies. But she now feels the council will have to raise its fees back up to the level it originally had intended to charge.

"Upping the price (to those levels) isn't going to break the bank," Faught said, adding she felt that the services provided would remain a bargain.

Faught also believes recruiting additional firms at those rates will generate revenue for needed staff and equipment. After a three-month hiatus she plans to resume marketing in mid-November.

Success in its several bids to increase revenues would do more than ensure sufficient resources to meet demand. Faught said it also would enable the council to screen listed facilities — a task it had originally planned to do, but has not been able to undertake so far.

Participating firms include: Portland General Electric, NERCO, Standard Insurance, U.S. Bancorp, Tektronics (Wilsonville plant), IBM, Kaiser-Permanente, Good Samaritan Hospital, First Interstate Bank, Georgia Pacific, Arthur Andersen, Pendleton Woolen Mills and Pacific Power and Light.

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# Child care assistance program reports growth

By DAN HORTSCH  
of The Oregonian staff

A program to involve employers in helping to fulfill the child-care needs of their employees has signed up 14 corporate members with more than 27,000 potentially benefiting workers.

The 4-month-old program, called Community Shares by its developers and operated by the Child Care Coordinating Council, was the subject of praise Tuesday at a gathering of the program's business and political supporters.

Gov. Vic Atiyeh told the audience in a meeting room of the U.S. Bancorp Plaza that the program, which provides day-care referral services, education and counseling to employees of member companies, is "a pilot program for the full state and the nation."

Atiyeh said improved day care was important "to the self-esteem and pride" of people who work outside the home.

The program had its genesis in a federally funded study done by the Regional Research Institute for Human Services at Portland State University in conjunction with the council. Among the findings of the study was that many employees do not necessarily want day-care facilities available where they work but do want dependable day care conveniently located and help in finding reliable care.

The result was the formation of Community Shares.

Leslie Faught, executive director of the council, said 650 employees from the companies had taken advantage of the service, most of them in the past six or seven weeks.

The 14 member companies contributed according to a formula that takes in the number of employees they have and the average percentage of people with children in the child-care age range. Three other companies have contributed financially without becoming members, she said.

Contributions have totaled about \$90,000 so far, Faught said.

Faught also said a \$200,000 grant from the Fred Meyer Charitable Trust would allow the council to physically inspect day-care homes and facilities before listing them.

The service uses a computer purchased with \$21,500 in contributions from many of the same companies. U.S. Rep. Ron Wyden, D-Ore., helped raise the money for the computer last year when he read a City Club of Port-

land report saying that a computerized referral service was needed in the Portland area.

Wyden, talking to the gathering Tuesday, said the program was "a fundamental economic development tool." Employees need child-care resources "if we're going to make available to our employers skilled workers."

Arthur Emlen, director of PSU's Regional Research Institute and the person who directed the survey behind the program, said the system has produced "a major shift in the balance of financing from public to private."

Faught said she hoped to sign on more companies, but not until next year in order to get the system working properly. She also said the cost of the service was proving higher than first expected.

The referral system, she said, involves updating by telephone the list of child-care homes and institutions every six weeks; interviewing parents seeking a referral; telephoning potential care providers and coming up with two or three openings for the parents; and checking back later with the parents to see how they worked out.

Faught said the referral service, once free to the public, now costs \$10 per referral for parents who are not

employees of member companies. She said the real cost was about \$100-but that the council wanted it to be within the reach of lower-income families.

Bill Thompson, personnel manager of Standard Insurance Co., said his company, which has about 700 employees in its home office, was not interested in getting its money back. "We want to see it succeed," he said. "Then it will pay for itself."

# Leslie Faught: Child care champ goes to bat again

By Sonja Johnston

"All parents who work," says the knowledgeable Leslie Faught, longtime executive director of the Child Care Coordinating Council (4-C), "want a sweet, red-cheeked, silver-haired granny lady to take care of their children. Someone who bakes cookies and is always kind and always there."

"The problem is," she concludes, looking every inch the career woman of the '80s in a big-shouldered, soft gray angora sweater jacket, "today's granny is probably working herself or doing aerobics or having fun in her designer jeans or, worst of all, living in another state. Grannies—or even nannies—are hard to come by these days," Faught adds with a wry smile.

Faught ought to know. She's risen to child care administrator par excellence through the ranks. With experience as a day care teacher, a parent-child service manager and her present position as executive director of 4-C, Faught has worked with million-dollar budgets with kids, with low- and no-income parents, with child care experts and providers, and most recently with middle- and upper-income parents and their employers.

Well, you might ask, what do employers have to do with child care? (Not that we all wouldn't like to let our boss babysit for us once in a while).

If Faught has anything to do with it, employers have a lot to do with child care because they have a lot to gain when their employees have easy access to good child care.

Faught's leadership has put Portland on the map with a landmark study showing local employers just how child care responsibilities do affect worker productivity. It is called *Hard to Find and Difficult to Manage: The Effects of Child Care on the Workplace*.

To boil it way down, the study of 8,000 workers shows that those workers (particularly moms) with children who need child care miss significantly more days of work, are late more, leave early more and are interrupted more at work than workers without young children.

Researched by the Regional Research Institute for Human Services at Portland State

University, the study is the first to address the question of productivity in terms of family responsibilities.

Armed with this hard data, the savvy Faught convinced many corporate chiefs that it's good business to help their employees find good child care. And furthermore, she had just the program to do it.

"Our meeting with the business community in March was really very important," says Faught. It was there she introduced the concept and then followed up with meetings with particular businesses to create Community Share.

It's the first program of its kind in the United States to combine private and public dollars for a child care referral and information service. Portland General Electric, Kaiser Permanente, U.S. Bancorp and 14 other businesses have joined Community Share

with financial support to help their employees find child care and learn how to evaluate it.

The main phone referral service covers the tri-county area. For a \$10 fee any employee of the sponsoring companies can get help to find the best place near them for their child to be taken care of. "We work with them until they find something they're satisfied with," says Faught. "If they don't find what they want, we don't charge them."

The 4-C folks have 1,500 different facilities in their computer bank, including child care

centers, day care homes, preschools and kindergartens, co-operative nurseries and babysitting exchanges and evening and weekend drop-in care as well as summer camps.

"We began July 1," says Faught, "and we've found that the utilization rate is enormous—we're filling a very real need for information and guidance."

"Besides our referral service, our on-site seminars have been in great demand. We go out to business sites and talk to groups of interested employees—mostly mothers," explains Faught.

PGE, the longest-term member of the Community Share program, has monthly 4-C brown bag lunch meetings. Employees consider the meetings a very worthwhile benefit, according to Marilyn Good in PGE's Human Resources department.

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"There's such a wide variety of topics and useful information for parents," says Good. "They've had toy and book displays to evaluate what's good for children, talks on how to get what you want from your babysitter, summer programs for children, helping children with holidays, maintaining positive relationships with your child's caretaker, and many others."

In her concern for the well-being of children and their hard-working parents and the productivity of those parents, Faught is going back to bat to get even more companies involved in Community Share.

"Now that the program is on its feet, I feel comfortable going to talk with more businesses and getting them involved in this program that will definitely boost their workers' productivity," says Faught.

And besides the success of the program, Faught has a pretty exciting success story to add.

"This afternoon," Faught says in a last-minute phone call, "we recieved a \$200,000 grant from the Fred Meyer Charitable Trust. Now we'll be able to evaluate all the home and child care facilities on our list and do the same prior to listing new ones.

"It will take nearly a year to do, but we know how to do it. And when it's done what it means for the working parent is that it will save them time in looking at facilities that aren't right for their child. We're thrilled!" she says with the sounds of celebration behind her.

**For more information: Contact the Child Care Coordinating Council at 238-4320.**



Leslie Faught



# Pioneering child-care service taps growing business market

By DAN HORTSCH  
of The Oregonian staff

After less than one year of operation, a program that helps Portland-area businesses give their employees such child-care services as seminars, babysitter screening and referral has proven popular beyond all expectations.

Community Shares, operated by the Child Care Coordinating Council, is a pioneering concept on the scale at which it is operating, said Leslie Faught, council director.

"There are no models to follow," she said. "Nobody else has done this."

Under the program, the employees of participating companies can get information about 2,000 child-care providers — more than 1,900 of them private homes, which are difficult to locate because many are not listed with the state under its voluntary registration program.

It also puts on brown bag seminars for employees and can offer limited counseling for parents. In addition, with the help of a \$200,000 grant from the Fred Meyer Charitable Trust, the council has embarked on a screening program that would involve visits to every private home listed so the council can give parents information based on first-hand observation, not just pass along information given by the baby sitter.

## Response gratifying

Child care often has been a low priority with businesses, Faught said, so the willingness of some companies to support the program with thousands of dollars in yearly fees has been gratifying. The 14 companies that signed up, including some of the Portland area's largest, were "willing to hop on board with pretty limited information, to take a chance and try to make it work," she said.

The council officially began providing its Community Shares service July 1 and has been developing it since.

As the services have expanded and the parents' use of the service has gone up, the cost has grown as well, Faught said.

While an individual parent who does not work for

any of the participating companies can get referral service from the council by telephone, the council charges \$50 — a rate that effectively has cut off such inquiries, Faught said. The council planned to discontinue its referral service for individuals after June 30, leaving only employees of member companies eligible for the service.

In order to make the service pay for itself and to meet the high demand by employees, the fees charged member companies will be raised July 1, Faught said. The increase was necessary for the program's survival, she said.

Dropping the long-standing referral service the council has provided to the general public could leave a void that would be hard to fill, especially for low-income families.

## Tends to middle class ..

Faught admitted the council's service had become oriented around the middle-class family, where the demand for child care has grown rapidly. But "any company can buy into this" for its employees, she said. Faught said she also wanted to explore ways to help low-income families.

Several other Portland-area agencies offer similar referral services free or at less cost, but they all have smaller listings.

Three of them screen private homes that offer child care. For instance, the Family Day and Night Care service sponsored by the Albina Ministerial Alliance in North and Northeast Portland has about 200 listings. In addition to screening and referrals, the agency puts on workshops, operates a toy and book lending library and offers other assistance, said Cornetta Smith, the agency's director. The smaller agencies are proud of their service and question the council's decision to offer more costly services. Faught, however, doesn't think the council has taken the wrong course.

"Big is not bad," she said. "What matters here is that there is a need, and we've moved to fill a part of the need."

The need can be easily documented. Of the 63,000 children in child care in the Portland area, at least



53,000 are cared for in private homes, Faught said. Turnover is extraordinary. To keep up the list of nearly 2,000 providers, Faught said, the council has to recruit 1,700 new homes each year.

The council's work on its company-paid system began with a survey conducted with a federal grant by the Regional Research Institute for Human Services at Portland State University. The survey concluded that while many people have talked about the merits of child care provided at the workplace, parents really want choices and information: child care near their homes or near their workplaces.

The council proposed to provide that information with the help of businesses that wanted to aid their employees without actually setting up child-care centers in their buildings. To do it right takes money, however. The council, which began in 1972 as a state-subsidized referral service that did not do any screening, lost that state support in 1981. Grants and fees paid by callers helped keep the council going.

#### 14 member companies

When Community Shares got off the ground in July, it had 14 companies signed on. They included First Interstate Bank of Oregon, Arthur Andersen & Co., Pacific Northwest Bell Telephone Co., Kaiser-Permanente Health Care Program, Nerco Inc., Portland General Electric Co., Good Samaritan Hospital & Medical Center, U.S. National Bank of Oregon, Pacific Power & Light Co., Standard Insurance Co., Pendleton Woolen Mills, IBM Corp., Georgia-Pacific Corp. and the Tektronix Inc. Wilsonville offices.

They supported the service by paying fees based on the number of employees covered and by paying for materials and insurance costs.

Because both the use and kinds of services offered have grown so fast, Faught has proposed increases in July that would more than double the present charges. For example, a 300-employee company has been paying about \$2,075 a year. Under the new fee structure the company would pay about \$4,350. A company with 1,000 employees has been paying \$4,050 for a year. Next year the expanded services would cost \$10,326.



### How they like it

**F**ourteen companies participate in Community Shares to provide child-care services — which can include information and referral, counseling and seminars — for their employees in the Portland area. Here are some of their comments:

**First Interstate Bank of Oregon;** about 2,700 employees covered. Child care "is not a women's problem; it's a family problem. I would tout it as a benefit for a family." — *Barbara Runyan, manager of employee relations.*

**United States National Bank of Oregon;** 4,000 covered. "We expect (the number of users) to increase, especially in light of the fact that they are going to be screening providers." — *Doreen Greve, manager of corporate employee benefits.*

**Pendleton Woolen Mills;** 1,000 covered. "We found employees are utilizing the extra resources. . . . It's nice to go to a resource that can give you some books to read or some good common sense." — *Lila Wilson, personnel assistant.*

**Good Samaritan Hospital & Medical Center;** 2,200 covered. "The employees felt relieved there was some resource now available to them and just the sense of support." — *Jackie Farah, employee assistance program coordinator.*

**Kaiser-Permanente Health Care Program;** 3,900 covered. "This was the most appealing option" to establishing company-run child care on Kaiser-Permanente sites. "Employees feel like we are more sensitive to their needs." — *Cheryl Harmon, director of personnel services.*

*The Oregonian*

# Screenings helping to ensure quality child care — and to reassure parents

By DAN HORTSCH  
of The Oregonian staff

Nearly everyone is aware of those television commercials in which outsiders troop through a home testing for dust with a white-gloved finger or haughtily sniffing for cat box odors.

Linda Brant, a Southeast Portland homemaker, recently set herself up — not for such a crass and crude inspection, but for a visit with potential for embarrassment. She invited a representative of the Child Care Coordinating Council into her home to screen her as a baby sitter.

If she worried ahead of time, she need not have bothered. While Aphra Katzev, child-care coordinator for the council, found room for a few improvements, Brant displayed herself as a thoughtful, caring person who plans activities with the children and has a knack for teaching children personal habits and ways of getting along with others.

The visit was part of a major project of the council's Community Shares program, child-care services that the council markets to private businesses as a benefit for their employees. In addition to information and referral services and seminars and counseling on child care and child development, the council has begun to screen the more than 1,900 private homes that offer child care.

## For more information

The purpose is to give parents more thorough information than the council has been able to offer from the information gained in telephone interviews with baby sitters.

Brant's home was filled with the

pitter-patter of little feet: feet belonging to three children she was caring for that day as well as to two boys of her own, and feet belonging to several cats that watched with studied indifference or openly sought affectionate carresses.

Brant, 32, cares for up to five children at a time in addition to sons Jo-

shua, 7, and Benjamin, 6. Her husband, Scott, 31, an employee of Darigold Farms, works four graveyard shifts a week, a schedule putting him at home during the day. Despite the presence of active children, he gets his sleep and is there to help out when necessary, both he and his wife said.

Katzev was anything but intimidat-

## Additional services

In addition to the Child Care Coordinating Council, four smaller agencies provide services to parents and child-care providers in the Portland area. They are:

**West Tuality Child Care Services** — Based in Forest Grove, the service operates two child development centers. It serves Washington County with an emphasis on rural areas. Services include information and referral, home screening of providers and some counseling. Between 250 and 300 home care providers are listed. Providers and parents pay up to a \$20 annual fee based on a sliding scale. Claire Weddle, director.

**Family Day and Night Care** — Sponsored by the Albina Ministerial Alliance, the agency serves North and Northeast Portland providers and parents with information and referral, home screening of providers, some provider training and workshops. About 200 providers listed. No fee. Cornelia Sheeh, director.

**Child Care Support Services** — Working from their own homes in all parts of the inner-city area, six staff members serve child care providers and parents. Services include information and referral and home screening of providers. No fee. Patricia Smith, director.

**Gladstone Family and Child Care Information Service** — Based in Gladstone, this agency operates child care centers and provides information and referral for parents. The agency lists more than 300 providers, whom it charges a \$25 annual fee. Screening is done by telephone only. Jenna Cook, executive director; Janet Sams, coordinator of referrals.

The Oregonian

ing. Her quiet but inquisitive manner showed concern for Linda Brant's feelings as well as for the children in her care. Filling out extensive forms as she went, Katzev looked at the physical setting of the house and yard and asked a variety of questions about Brant's practices and views on caring for children. While some of the "right" answers might seem obvious, the responses can offer clues to Katzev as to the sincerity and knowledge behind the answers.

#### Given high marks

Katzev gave Brant high personal marks for her understanding and involvement. She has an emergency plan; she subtly teaches personal habits and relations with other children; the lunches are nutritious; she reads to the children daily; she restricts television viewing, and she has planned activities for the children.

The problems discovered included a small woodpile in the back yard on which a climbing child could get hurt; medicines that were kept in a high, difficult to reach place in the kitchen, but without a lock or child-proof latch on the door, and questions about the wood stove in the living room, a potential hazard for a falling child.

While noting these physical concerns, Katzev said, "Her program is really strong."

Brant is registered with the state Children's Services Division, but that voluntary program required only that she fill out a form and attend a meeting. The screening, she said, is a good idea. "I would want that if I were sending my children somewhere," she said.



**FULL HOUSE** — Busy children cared for by Linda Brant (left), including two of her own, find multitude of activities in her private child care home. Aphra Katzev (sitting at table), screens homes for Child Care Coordinating Council's child care referral service. Happily playing are (from foreground counterclockwise) Nicky Economus, 3. Benjamin Brant, 6. Joshua Brant, 7; Allison Heckman, 2, and Matthew Smeraglio, 2.

# EDITORIAL

## Reliable child care enhances productivity

In this age of worry over declining productivity, there are, thankfully, some partial solutions. One solution is the provision of child care to employees.

Few dispute the benefits of reliable day care. Without it, companies face rises in absenteeism and turnover and drops in morale and recruitment.

Employers, nevertheless, tend to shy away from addressing the day-care issue—and for some good reasons. It's expensive. Competent staff members are not easy to find and retain. Government regulations can make set-up frustrating. Day care isn't the kind of business most companies are accustomed to running. And many employers simply aren't convinced it's cost-effective.

Even given all that, however, there are good reasons why chief executive officers and personnel managers should consider day care. There are, for example, alternatives to building and staffing a half-million-dollar day-care center: flexible benefits, voucher programs, participation in referral services (such as Portland's Child Care Coordinating Council)—all of which can be subsidized to some extent through federal tax incentives.

Moreover, businesses—particularly small businesses—should explore cooperative, cost-sharing programs, perhaps organized through public agencies. And the help of the public schools should be sought.

A good start on tackling the problem comes March 15, with a day-long conference, "Employer Support for Child Care," at the Sheraton Airport Hotel. Topics include payoffs for management and strategies for developing child care for your company. If you decide to attend, contact Ginger Hackett at Good Samaritan Hospital and Medical Center, 229-7695. We commend Good Samaritan, the sponsor, and urge the attendance of greater Portland's human resources managers.

Appendix C

"Survey of Child Care Options"

City Club of Portland



A SURVEY  
OF  
CHILD CARE BENEFITS  
PROVIDED BY EMPLOYERS  
IN THE GREATER PORTLAND AREA

Prepared by:

City Club of Portland

December 1984

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| D. Flexible benefit plans material from:                                                                     |           |
| • Good Samaritan Hospital & Medical Center                                                                   |           |
| • City of Portland                                                                                           |           |

The City Club of Portland has pursued a continuing interest in issues related to employee child care. In April 1983, the City Club released a report recommending development of a metropolitan resource for child care information and referral. A computerized system is now in place, and the Child Care Coordinating Council has 17 contracts with Portland employers to provide information services for their employees. Now, in a related study, the City Club wishes to ascertain the extent to which Portland firms are implementing child care benefits for their employees.

In June 1984, the City Club study committee on child care sent a questionnaire to 535 corporations (including the 35 largest companies) and 12 major public agencies. The questionnaire asked which of several benefit options they had in operation, had considered, had rejected, or were planning to implement. This report is based on 150 replies to the survey.

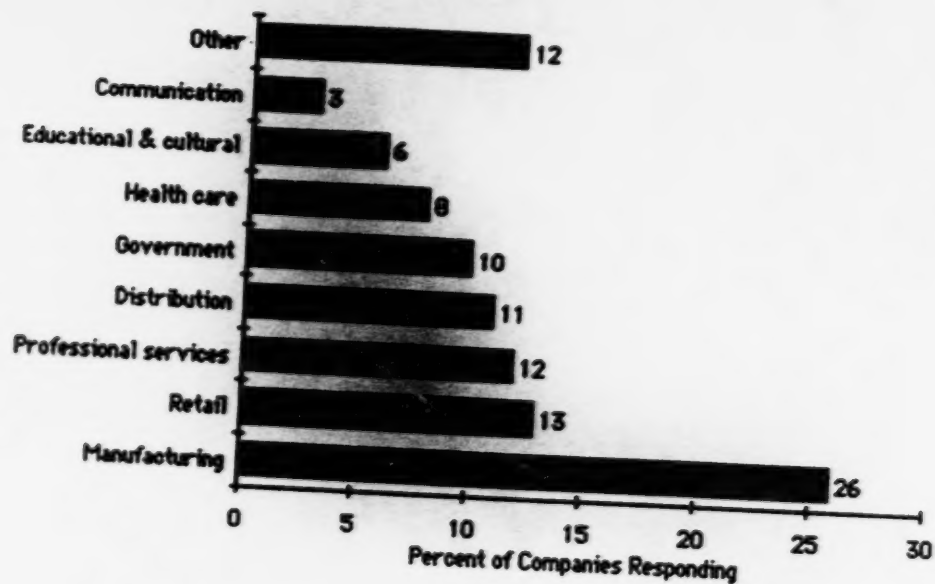
Since it is plausible to assume that companies already offering child care benefits might be those most likely to reply, a pro-child care bias is possible in the proportions reporting. However, any such bias from sample loss may not be severe, since a large majority of the companies responding to the survey reported that they had not even considered many of the child care options such as information and referral services for employees.

Findings: Overall, the survey shows that:

- Many companies have implemented policies that afford flexibility to employees, accommodating their child care needs through sick leave for the illness of family members, flexible working hours, or allowing shared positions.
- But less than one percent are assisting with any option involving subsidized child care, whether an on-site or off-site child care facility or the payment of child care in lieu of salary or other benefit.
- Computerized information and referral as a service to employees through the Child Care Coordinating Council, although an option of relatively low cost compared to direct subsidies of care, had not been considered by 81% of the companies and agencies reporting. Clearly consideration of child care options by the Portland business community is just beginning.

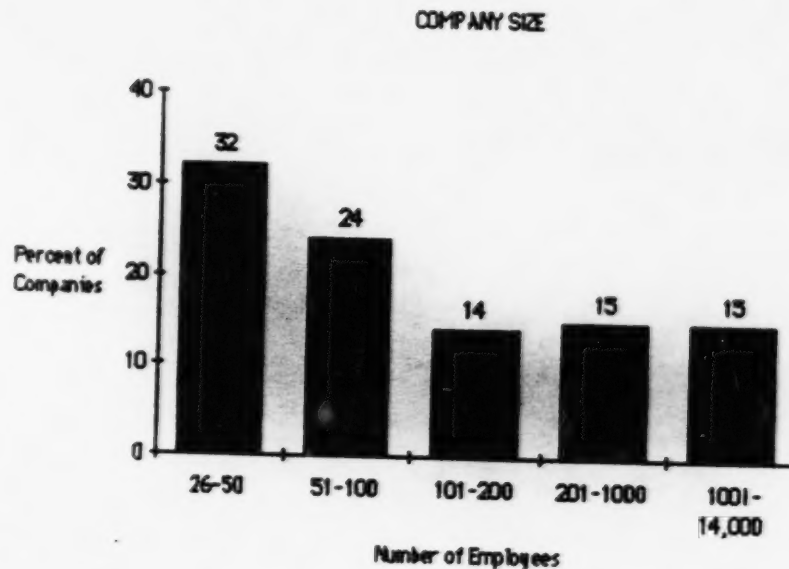
### DESCRIPTION OF SAMPLE COMPANIES

Type of industry. All major types of Portland industries were well represented by the companies participating in the survey:



Sample size = 150 companies; 145 reporting on this variable; missing data on 5. See Appendix for the number of companies represented by each table.

**Company size.** Fifty-six percent of the companies responding to the survey were small businesses with between 26 and 100 employees, and 15% were large companies with 1000 or more employees. It should not be supposed that the sample was closely representative of Portland companies according to company size. The sample underrepresented small companies and overrepresented the large companies. See Appendix for comparison of sample and population with regard to company size. More important for the study was to have a sufficient number of all company sizes for comparative purposes.





Other characteristics of the firms and agencies surveyed:

- 79% were reporting about employees at one location.
- In only 18% of the companies were personnel policies set outside of the Portland area.
- The main offices in Portland were located in 34 different zipcode areas, although the greatest concentration were in 97201, 204, 205, 210, and 232.
- In 46% of the companies, some non-management employees were covered by union contracts.
- The age of non-management employees was 35 on the average, and the average age of management was 42.
- The average percent of women employees (non-management) was 44%; the average percent of women in management was 20%.

### COMPANY IMPLEMENTATION OF CHILD CARE OPTIONS

Which options are currently in operation? Most frequently used are

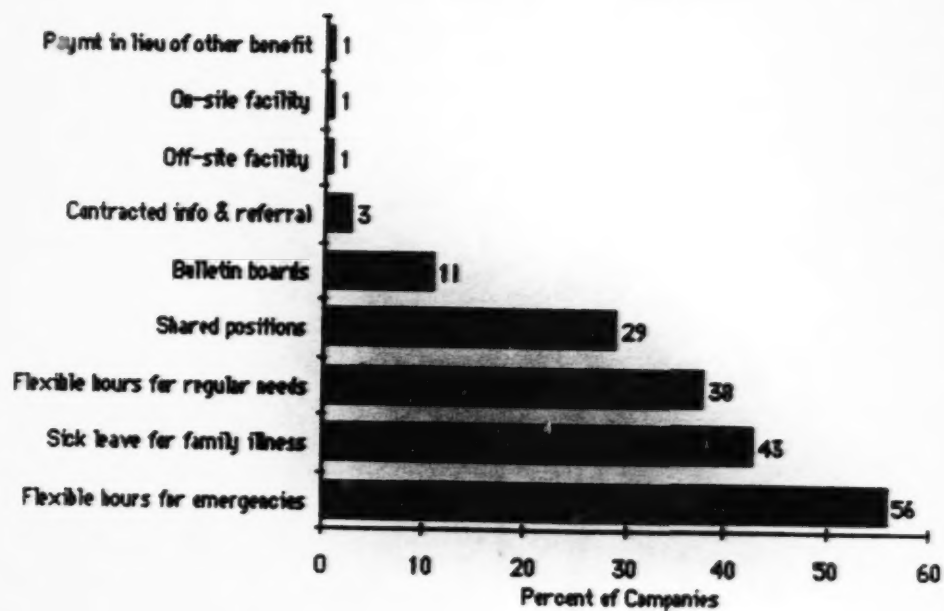
- 56% allowed flexible work hours for emergencies
- 43% permitted sick leave allowed for family illness
- 38% allowed flexible work hours for regular child care
- 29% allowed shared work positions.

Least frequently in operation are those benefits that subsidize child

- 1% assisted in establishing on-site facilities
- 1% assisted in establishing off-site facilities
- 1% paid child care costs in lieu of salary or other benefit

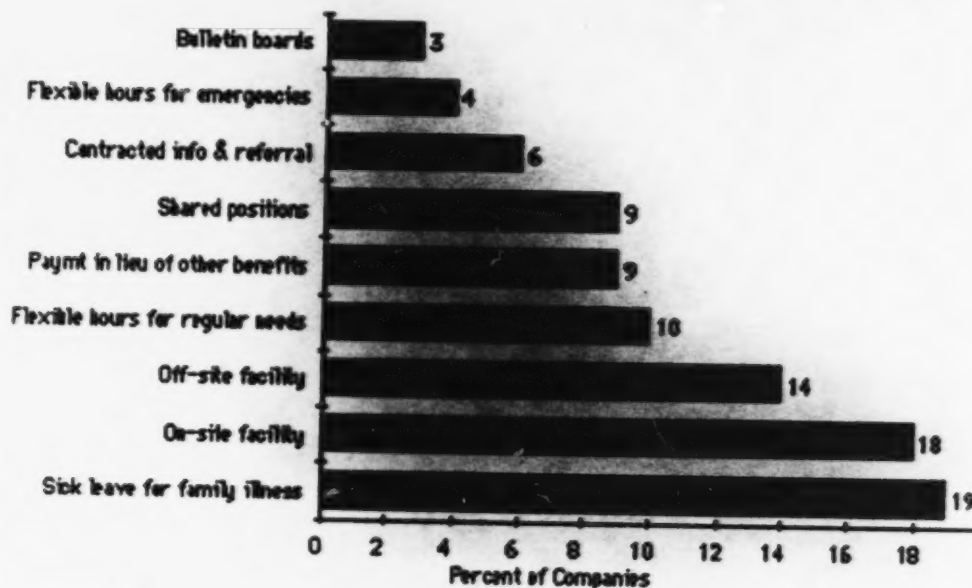
The following graph shows all options in rank order of use.

CHILD CARE OPTIONS CURRENTLY OPERATING

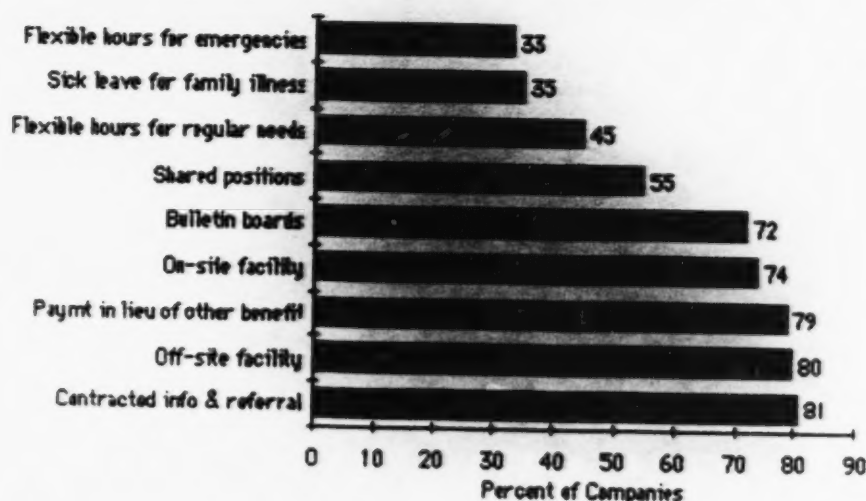


To what extent had companies actually considered these options and rejected them, either as too expensive or for other reasons? Had they considered the options and did they have a plan to implement them? The following two graphs show that companies had actually considered and rejected child care options to a limited extent. An especially high proportion of companies had not considered those child care options that involve financial subsidy.

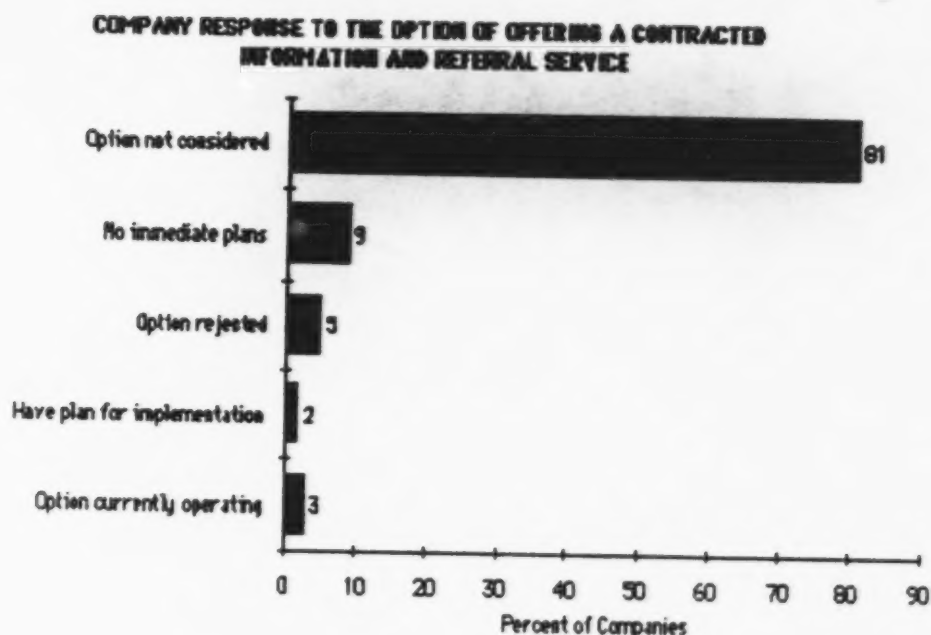
OPTIONS CONSIDERED AND REJECTED



OPTIONS NOT CONSIDERED



Nor had Portland companies widely considered the option that the City Club had recommended in April 1983, that is, contracting for computerized child care information and referral services. Only 5% either had that option in operation or had made plans to implement it. On the other hand, only 5% had considered and rejected the idea. As shown in the chart below, 81% had not even considered this option, leaving an opportunity wide open for employers to examine the merits and limitations of such a service. It is a relatively low-cost option for employers, compared to direct subsidy of the daily cost of child care.



### WHICH COMPANIES ARE MOST LIKELY TO IMPLEMENT CHILD CARE BENEFITS?

The study examined which kinds of companies most frequently implemented the various child care options. The variables considered in this analysis were:

- company size
- type of industry
- the percentage of women employees in the work force (non-management)
- the percentage of women in management
- the average age of the workforce (non-management employees)
- the average age of management
- whether non-management personnel are covered by union or employee association contracts.

Only a few statistically significant relationships emerged:

- The companies most likely to have considered an information and referral service as a child care option tended to be the larger companies and those in which two-thirds of the workforce were women.
- Sick leave for illness of a family member was allowed most frequently in companies with a young workforce, ie, in which more than half the employees were under 40.
- The percentage of companies allowing sick leave or flexible hours for child care on a regular basis differed by type of industry, which might be interpreted as differences in the realistic constraints imposed by different jobs, as well as varying traditions within industries. See Appendix for further detail.

### PAYMENT OF CHILD CARE COST IN LIEU OF SALARY OR OTHER BENEFITS

Two employers reported having implemented or having planned a flexible, "cafeteria" benefit plan in which employees could choose the payment of child care expenses from a menu of benefits. At Good Samaritan Hospital & Medical Center, regular employees not covered by collective bargaining agreements are now able on an optional basis to substitute for their standard benefits a plan comprised of a reduced set of core benefits plus "flex dollars" that can be used in a variety of ways-- including to buy back standard benefits such as dental, Blue Cross, or life insurance; to buy



additional benefits such as disability or extra life insurance; or to put into a "benefit bank" for expenses such as child care, orthodontia, or vision and hearing care. An individual can assign an annual maximum of \$5000 to the benefit bank in tax free dollars. Called FLEXPLAN, the Good Sam approach offers eligible employees "the opportunity to custom-design their benefits to meet their individual needs." As their brochure states, "FLEXPLAN means choice. . . . We recognize that our employees are individuals, with different lifestyles and different needs. We think it makes sense to let you choose the kind of benefits that best suit your needs."

The City of Portland is the other employer responding to the survey that reported such a child care option for their employees, which they plan to implement in 1985. Called BENEFLEX, the menu items in their cafeteria of benefits include a wide assortment of health plans and insurance plans, plus up to \$3000 in Dependent Care Assistance (Day care for children and aging parents). The City cites three objectives for the program: "to provide consumer education to employees involved in the expenditure of benefit dollars, to reduce bargaining pressure by inducing shifts in consumption, and to respond to the changing needs of employees and their families by introducing flexibility in employee benefit design." See Appendix.

Although only two examples were available from the survey, flexible benefit packages have received increasing national attention as a feasible mechanism for subsidizing the considerable expense of child care in a way that is equitable for most employees. Administration of this option requires planning and some expense, and it remains to be seen how feasible it may be for small businesses to implement. Another advantage of this child care option is that it addresses the cost of care through the use of tax-free dollars, without being locked into subsidizing only one type of child care such as an on-site center. By affording greater freedom of choice for child care consumers to select the kinds of arrangements they prefer, the flexible benefit plan increases the opportunity for employees to arrange child care that will fit well into work and family life.

For such options to be successful, however, the community must have a well-functioning marketplace in child care, rich in resources that are accessible and known to be available. This brings us full circle to the City Club's earlier recommendations which included the need for a widely supported computerized information and referral service, child care counseling, and planning resource for the community. Twenty-six percent of the companies reporting in the survey were aware of the City Club report in which these services were recommended, and 26% were aware of the Child Care Coordinating Council (4 C) which provides the service to the metropolitan area. As the study findings indicated, 81% of the surveyed companies reported that they had not considered that option. It is clear that the Portland community is just beginning to think about how to address its child care needs.

APPENDIX

- A. Sampling
- B. Survey cover letter and questionnaire  
(with complete tally of responses--  
frequencies and percents)
- C. Analysis of relationships between outcomes  
and company characteristics
- D. Flexible benefit plans: Material from:
  - Good Samaritan Hospital & Medical Center
  - City of Portland

## APPENDIX A. SAMPLING

The survey questionnaire was sent to:

- a random sample (every fifth) company from a list of companies with 26 or more employees (list courtesy of Contacts Influential, Inc.);
- the 35 Portland firms with the greatest number of employees; and
- 12 major public agencies.

For a comparison of the sample responding to the survey (N=150) with the population of Portland companies (n=37,836) with regard to size (number of employees), the following table provides two comparisons, one for companies of all sizes and one for companies having 26 or more employees which was the mailing list. It should be recognized that 93% of Portland companies are smaller than those surveyed, and even among those which received the questionnaire, the smaller category of companies was under-represented in the sample of replies. The large companies were over-represented by design in order to obtain sufficient numbers for comparative analysis by company size. In that analysis, a different set of size categories was used for better distribution.

Number of Employees

Number of Businesses  
In the Population                      In the Sample

|         |        |       |      |     |      |
|---------|--------|-------|------|-----|------|
| 1-5     | 26,113 | 69.0% |      |     |      |
| 6-10    | 5,521  | 14.5  |      |     |      |
| 11-25   | 3,588  | 9.4   |      |     |      |
| 26-50   | 1,466  | 3.9   | 56%  | 46  | 32%  |
| 51-100  | 673    | 1.8   | 26   | 34  | 24   |
| 101-250 | 293    | .8    | 11   | 27  | 19   |
| 251-500 | 106    | .3    | 4    | 8   | 5    |
| 501 +   | 76     | .2    | 3    | 29  | 20   |
|         | 37,836 | 99.9% | 100% | 144 | 100% |

# City Club of Portland

APPENDIX B

Established 1916

730 SOUTHWEST FIRST / PORTLAND, OREGON 97204 / PHONE 503-228-7231

June 1, 1984

Director of Employee Benefits

Dear Director:

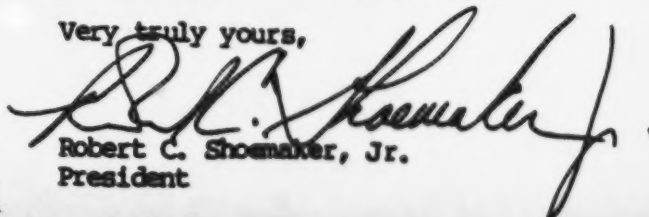
In April 1983, City Club of Portland issued a report entitled "Child Care Needs of Working Parents in the Portland Metropolitan Area." This report examined and evaluated the present roles of government, business, the community, and the working parent in the Portland Metropolitan area in providing child care. In addition, the Regional Research Institute for Human Services of Portland State University and the Child Care Coordinating Council (4-C) recently completed a broad-based survey of Portland companies and agencies delineating the impact of employee child care needs upon important elements of productivity in the workplace. Both the City Club report and the report summarizing the 4-C survey indicate that quality child care is becoming an increasingly important issue with employees as more and more parents with young children work outside the home. Both of these studies also support that finding accurate and comparable data regarding child care remains difficult.

In an effort to gather reliable data and monitor changes in child care benefits provided by employers in the Portland metropolitan area, City Club is conducting a long range survey of Portland area companies and agencies in a broad cross section of industries, locations, and size. This survey will take place over three years and is designed to accumulate information regarding current child care benefits provided by employers and to measure any changes in related policies over the survey period. We are asking that you, as an individual responsible for employee benefits for your company, complete the enclosed questionnaire. Two follow-up questionnaires in similar format will be sent to your organization over the next three years.

At the completion of the survey, a summary of the results will be presented to the City Club and provided to those organizations participating in the survey. These results will assess the roles of business in providing child care benefits and measure the change in these roles over the three-year period. All information provided in completing this questionnaire will, of course, be kept confidential. Survey results will identify only the type, size and location of the companies responding. Companies will not be identified by name.

We thank you in advance for participating in this survey. Please forward the completed survey in the enclosed envelope by June 15, 1984 to: The City Club of Portland, 730 SW First Ave., Portland, Oregon 97204.

Very truly yours,

  
Robert C. Shoemaker, Jr.  
President



## **SURVEY OF CHILD CARE BENEFIT OPTIONS**

- This survey is designed to gather information about child care benefits provided by employers in the greater Portland area.
- ALL INFORMATION WILL BE CONFIDENTIAL AND REPORTED ONLY IN SUMMARY FORM. NO NAMES WILL BE REVEALED.
- The questionnaire should be completed by the Personnel Director or other officer responsible for employee benefits.
- If information requested is unavailable, you may skip the question. Please respond to those for which information is available. Estimates are appropriate where exact figures are not known.
- Please return questionnaire by June 15, 1984 to:

City Club of Portland  
730 S.W. First Avenue  
Portland, Oregon 97204

1. Name of organization (and location/division if you are responding for only a portion of the entire organization):

(Name of organization will not be released with survey results.)

2. Please indicate (by circling the appropriate letter) the organizational unit(s) covered by your responses to this questionnaire:

- 22 15%  
39 27  
69 49  
8 6  
4 3  
142 100%  
a. Corporate headquarters  
b. One division/location only  
c. Entire organization (headquarters and all divisions/locations)  
d. Corporate headquarters and one or more divisions/locations  
e. Two or more divisions/locations

Type of organization: ("other" was recorded for report)

- a. Manufacturing f. Food production  
b. Electronics g. Government  
c. Distribution h. Retail  
d. Banking/Insurance i. Professional services  
e. Medical j. Other (specify):

4. Size of organizational unit - how many full-time equivalent employees in Portland metropolitan area are covered by your responses to this questionnaire:

5. Location(s) in Portland metropolitan area by zip code  
(see distribution)

6. Where are personnel policies set?

- 19% 26  
63 88  
1 2  
17 23  
100% 139  
a. At local or divisional level  
b. Corporate headquarters in Portland metropolitan area  
c. Corporate headquarters outside Portland metropolitan area but in Oregon  
d. Corporate headquarters out of state 11 missing

7. What was your percent of new employees (including growth and turnover) last fiscal year? Nonmanagement Management  
(see distribution)

8. What was your estimated annual training investment per employee including salaries and external costs last fiscal year? ( " )  
\$ \$

9. What percent of your employees are under 40 years of age? Nonmanagement Management  
(see distribution)

10. What is the median age of your employees? ( " )

11. What percent of your workforce is female? ( " )

12. Are nonmanagement personnel covered by union and/or employee association contracts?

- a. Yes 64 (46%) b. No 74 (54%) missing total 12 138 (100%)

13. Have you surveyed your employees as to their preferences in regard to child care?

- a. Yes (specify approximate date 10 (5%)) b. No 133 (93%)

14. Are you aware of the City Club report on "Child Care for Working Parents" issued in April, 1983?

- a. Yes 38 (26%) b. No 106 (74%)

15. Are you aware of the AC's (Child Care Coordinating Council) computerized information and referral services?

- a. Yes 38 (26%) b. No 106 (74%)

16. Does your corporation currently contract with AC's for services?

- a. Yes 8 (6%) b. No 134 (94%)

17. Do you grant maternity leave upon request?

- a. Yes (see distribution) 128 b. No 7 (5%)

18. Please comment on the benefits and problems of implementing child care benefit options from your corporation's perspective or describe and/or send information relative to your child care benefit program.

19. Name and phone number of individual completing this questionnaire:

Please read the corporate responses listed below (a-a). Then examine the child care benefit options (questions 20-29) and mark the response(s) that most closely represent(s) what your corporation is currently doing for management and nonmanagement employees.

# RESPONSES

Missing responses  
Total and (percent)

a. Currently operating this option.

b. Considered and rejected this option because a WILLING most employees showed the need to be prohibitive.

c. Considered and rejected this option for other reasons.

d. Have not considered this option.

e. Considered the option, but have not formulated a plan for implementation.

f. Considered the option and do have a plan for implementation.

g. Currently operating this option.

h. Considered and rejected this option because a WILLING most employees showed the need to be prohibitive.

i. Considered and rejected this option for other reasons.

j. Have not considered this option.

k. Considered the option, but have not formulated a plan for implementation.

l. Considered the option and do have a plan for implementation.

m. Have not discussed this option within the last twelve months.

Total and (percent)  
Missing responses

## CHILD CARE BENEFIT OPTIONS

|                                                                                            |    | MANAGEMENT |      |     |      |      |      |     |      | NONMANAGEMENT |      |      |      |     |     |   |   |        |    |
|--------------------------------------------------------------------------------------------|----|------------|------|-----|------|------|------|-----|------|---------------|------|------|------|-----|-----|---|---|--------|----|
|                                                                                            |    | a          | b    | c   | d    | e    | f    | g   | h    | i             | j    | k    | l    | m   | n   | o | p |        |    |
| 20. Child Care information is provided on bulletin boards or through a newsletter.         | 16 | 134        | 14   | 1   | 2    | 98   | 18   | 1   | 14   | 1             | 2    | 96   | 18   | 2   | 0   |   |   | 133    | 17 |
|                                                                                            |    | (100%)     | (11) | (1) | (1)  | (73) | (13) | (1) | (11) | (1)           | (2)  | (72) | (14) | (2) | 0   |   |   | (102%) |    |
| 21. Child care information and referral benefits are discussed in a new employee handbook. | 18 | 132        | 2    | 2   | 6    | 108  | 11   | 3   | 2    | 3             | 5    | 106  | 10   | 4   | 0   |   |   | 130    | 20 |
|                                                                                            |    | (101%)     | (2)  | (2) | (5)  | (82) | (8)  | (2) | (2)  | (2)           | (4)  | (82) | (8)  | (3) | (0) |   |   | (101%) |    |
| 22. Computerized child care information and referral are offered to employees.             | 18 | 132        | 4    | 1   | 6    | 107  | 12   | 2   | 4    | 1             | 6    | 106  | 12   | 2   | 0   |   |   | 131    | 19 |
|                                                                                            |    | (101%)     | (3)  | (1) | (5)  | (81) | (9)  | (2) | (3)  | (1)           | (5)  | (81) | (9)  | (2) | (0) |   |   | (101%) |    |
| 23. Payment of child care cost is made in lieu of salary or other benefit.                 | 20 | 130        | 1    | 2   | 8    | 107  | 11   | 1   | 1    | 3             | 9    | 104  | 13   | 1   | 0   |   |   | 131    | 19 |
|                                                                                            |    | (100%)     | (1)  | (2) | (6)  | (82) | (8)  | (1) | (1)  | (2)           | (7)  | (79) | (10) | (1) | (0) |   |   | (100%) |    |
| 24. Flexible work hours are allowed to meet child care emergencies.                        | 18 | 132        | 77   | 0   | 5    | 42   | 6    | 2   | 74   | 0             | 5    | 43   | 8    | 2   | 0   |   |   | 132    | 18 |
|                                                                                            |    | (101%)     | (58) | (0) | (4)  | (32) | (5)  | (2) | (56) | (0)           | (4)  | (33) | (6)  | (2) | (0) |   |   | (100%) |    |
| 25. Flexible work hours are allowed to meet regularly scheduled child care needs.          | 20 | 130        | 53   | 0   | 13   | 57   | 6    | 1   | 50   | 0             | 13   | 59   | 6    | 2   | 0   |   |   | 130    | 20 |
|                                                                                            |    | (101%)     | (41) | (0) | (10) | (44) | (5)  | (1) | (38) | (0)           | (10) | (45) | (5)  | (2) | (0) |   |   | (100%) |    |
| 26. Sick leave is allowed to be used for family illness.                                   | 17 | 133        | 62   | 1   | 24   | 43   | 1    | 2   | 66   | 2             | 22   | 46   | 2    | 0   | 2   |   |   | 130    | 20 |
|                                                                                            |    | (100%)     | (47) | (1) | (18) | (32) | (1)  | (1) | (43) | (2)           | (17) | (35) | (2)  | 0   | (2) |   |   | (101%) |    |
| 27. Shared work positions are allowed.                                                     | 18 | 132        | 41   | 1   | 9    | 70   | 10   | 1   | 38   | 1             | 10   | 71   | 9    | 0   | 1   |   |   | 130    | 20 |
|                                                                                            |    | (101%)     | (31) | (1) | (7)  | (53) | (8)  | (1) | (29) | (1)           | (8)  | (55) | (7)  | (0) | (1) |   |   | (101%) |    |
| 28. Corporation assists in establishing an on-site child care facility.                    | 17 | 133        | 1    | 5   | 20   | 98   | 8    | 1   | 1    | 4             | 19   | 96   | 6    | 2   | 1   |   |   | 129    | 21 |
|                                                                                            |    | (101%)     | (1)  | (4) | (15) | (74) | (6)  | (1) | (1)  | (3)           | (15) | (74) | (5)  | (2) | (1) |   |   | (101%) |    |
| 29. Corporation assists in establishment of an off-site child care facility.               | 17 | 133        | 1    | 2   | 17   | 105  | 8    | 0   | 1    | 2             | 16   | 103  | 5    | 2   | 0   |   |   | 129    | 21 |
|                                                                                            |    | (100%)     | (1)  | (1) | (13) | (79) | (6)  | (0) | (1)  | (2)           | (12) | (80) | (4)  | (2) | (0) |   |   | (101%) |    |

Flexible Schedule for Regular Child Care Needs Currently Used

• Type of industry

|                       | in operation | not in operation |
|-----------------------|--------------|------------------|
| mfg/industrial        | 7            | 31               |
| distribution          | 3            | 13               |
| professional services | 0            | 18               |
| health care           | 4            | 7                |
| government            | 6            | 8                |
| educational/cultural  | 5            | 3                |
| retail                | 9            | 10               |
| communication         | 1            | 3                |
| other                 | 9            | 8                |
|                       |              | 145              |

$$\chi^2 = 23.32 \quad 8df$$

$$p = .004$$

• Relationships not statistically significant at  $p < .05$

- percent of non-management workforce who are women
- percent of management who are women
- age of workforce (% under 40)
- age of management
- company size
- union

# APPENDIX C

## Summary of Relationships Between Benefit Options and Company Characteristics

### Contract for Information and Referral Not Considered

- Percent of non-management workforce who are women

|                | 0-33% | 35-66% | 64-100% |
|----------------|-------|--------|---------|
| not considered | 46    | 36     | 16      |
| considered     | 12    | 10     | 14      |
|                | 134   |        |         |

$$\chi^2 = 7.727 \quad 2df$$

$$p = .02$$

- Company size

|                | under 50 | 50-99 | 100-199 | 200-999 | 1000-14,000 |
|----------------|----------|-------|---------|---------|-------------|
| not considered | 34       | 32    | 13      | 17      | 10          |
| considered     | 13       | 6     | 5       | 8       | 12          |
|                | 150      |       |         |         |             |

$$\chi^2 = 10.28 \quad 4df$$

$$p = .04$$

- Relationships not statistically significant:

- percent of management who are women
- age of workforce (% under 40)
- age of management (% with median age under 40)
- type of industry
- union



## FLEX DOLLARS

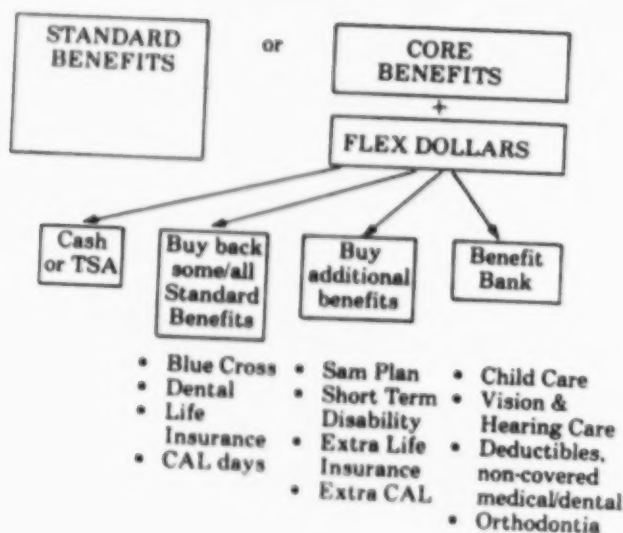
As a trade-off allowance, with the Core Benefits you will receive an individual allocation of Flex Dollars.

Your Flex Dollars amount will be clearly indicated on your FLEXPLAN enrollment form, and will be approximately 7% of your salary (about \$1,750 if you earn \$25,000 per year).

Flex Dollars can be used in one or more of the following ways:

- taken in cash
- used to buy back some or all of the Standard Benefits
- used to buy additional benefits
- placed in the Benefit Bank

Buying back the same level of coverage that the Standard Plan provides would use up all of your Flex Dollars. Reduced coverage would allow you to get cash in lieu of benefits. Increased coverage would cost more than your Flex Dollar allocation, and would be paid for through salary reduction.



## FLEXPLAN Overview



## CONTENTS

|                                 |   |
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| Choice .....                    | 1 |
| Participation In FLEXPLAN ..... | 1 |
| Core Benefits .....             | 1 |
| Flex Dollars .....              | 2 |
| Options .....                   | 3 |
| Enrollment .....                | 3 |

Can assign a max of  
\$ 5000 to the bank  
(tax free dollars)

---

**FLEXPLAN means choice. Your choice.**

## **CHOICE**

We recognize that our employees are individuals, with different lifestyles and different needs. We think it makes sense to let you choose the kind of benefits that best suit your needs.

A new benefit program — called FLEXPLAN — offers all eligible employees the opportunity to custom-design their benefits to meet their individual needs.

---

All regular, full-time non-represented employees are eligible to participate. Regular part-time employees are eligible if they are scheduled to work 20 hours or more per week.

## **PARTICIPATION IN FLEXPLAN**

Employees in positions covered by collective bargaining agreements, temporary employees, on-call and PRN employees, and Medical Residents are not eligible to participate at this time.

Participation in FLEXPLAN is *optional*. Any eligible employee may choose to remain with the standard benefits plan.

To participate, an eligible employee must complete, sign and return a FLEXPLAN enrollment form.

---

If you choose to participate in FLEXPLAN, instead of receiving your current or standard benefit plan, you receive a "core" of benefits and flexible dollars that you can use to personalize your plan.

## **CORE BENEFITS**

The core represents a reduction in benefits from the standard plan in four areas:

- no dental coverage
- reduced medical coverage (Core Plan with \$500 deductible)
- reduced life insurance (\$5,000)
- reduced CAL accrual (15 days less per year)

In all other areas, (Retirement, Tax Sheltered Annuity, Social Security, Workers Compensation, Long Term Disability and Tuition Assistance), the Core Plan and the Standard Plan are the same.

---

FLEXPLAN offers a wide range of options to choose from.

## OPTIONS

It is important that you carefully consider your benefit needs, and review all options, before making your selections.

The chart on the following page provides a comparison of the benefit items under the Standard Plan with those under the Core Plan, and those available as options.

This brochure is only a brief overview of FLEXPLAN. Please be sure to read each of the other brochures enclosed in your FLEXPLAN package prior to making your benefit choices.

The booklet entitled *General Information* includes important information about each of the benefits provided under FLEXPLAN.

These booklets are intended to summarize the provisions of each of the FLEXPLAN benefits. Each benefit has a master agreement which in all cases, will be the controlling document.

---

Along with your FLEXPLAN package, you should have received a personalized enrollment form, with your name, department and other information pre-printed on it.

## ENROLLMENT

The enrollment form must be completed, signed and returned to Human Resources Management. When your enrollment form is received, you will be sent a confirmation letter which will indicate the benefits selected on your enrollment form.

If you have not received a FLEXPLAN enrollment form, or do not receive a confirmation letter after submitting your enrollment form, or have questions concerning your FLEXPLAN benefits please contact the Benefits section of Human Resources at extension 7096.



| FLEXPLAN                                                          |                                          |                                                                                                                                                                                                                        |
|-------------------------------------------------------------------|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| STANDARD                                                          | CORE                                     | OPTIONS                                                                                                                                                                                                                |
| Blue Cross<br>Medical Plan<br>(single, 2-person or family)        | Core Plan<br>(single)                    | <ul style="list-style-type: none"> <li>• Core Plan<br/>(2-person or family)</li> <li>• Blue Cross Plan<br/>(single, 2-person or family)</li> <li>• Samaritan Plan<br/>(single, 2-person or family)</li> </ul>          |
| Blue Cross<br>Dental or Dentacare<br>(single, 2-person or family) | None                                     | <ul style="list-style-type: none"> <li>• Blue Cross<br/>Dental or Dentacare<br/>(single, 2-person or family)</li> </ul>                                                                                                |
| Life & Accident<br>Insurance:<br>1 times salary                   | Life & Accident<br>Insurance:<br>\$5,000 | Life & Accident<br>Insurance:<br><ul style="list-style-type: none"> <li>• 1 times salary</li> <li>• 2 times salary</li> <li>• 3 times salary</li> <li>• 4 times salary</li> </ul>                                      |
| Long Term<br>Disability                                           | Long Term<br>Disability                  | <ul style="list-style-type: none"> <li>• Short Term<br/>Disability</li> </ul>                                                                                                                                          |
| 25-35 CAL days                                                    | 10-20 CAL days                           | Additional CAL time<br><ul style="list-style-type: none"> <li>• 5 days</li> <li>• 10 days</li> <li>• 15 days</li> <li>• 20 days</li> </ul>                                                                             |
| —                                                                 | —                                        | Benefit Bank<br><ul style="list-style-type: none"> <li>• child care</li> <li>• vision care</li> <li>• hearing care</li> <li>• deductibles</li> <li>• non-covered<br/>medical expense</li> <li>• orthodontia</li> </ul> |
| —                                                                 | —                                        | Cash or T.S.A.<br>in lieu of benefits                                                                                                                                                                                  |

January 1, 1984

**BENEFLEX FACT SHEET  
(Cafeteria Benefit Plan)**

**BENEFLEX MENU ITEMS**

Existing health, dental, vision, and life insurance benefits plus:

- . Group Long Term Disability Insurance (Income protection plan for employees with less than 10 yrs. in PERS)
- . Dependent Care Assistance Plan (Day care for children and aging parents)
- . Medical Reimbursement Account
- . Basic Life Insurance to \$50,000.
- . Salary Conversion Plan (Annual reallocation of dollars from benefits to salary or from salary to benefits by prior written agreement with the employer.)
- . Low option First Farwest health plan(s) with cost containment emphasis. (Pre-admission certification, ambulatory surgery incentive, health promotion benefits)
- . DentaCare Plan (includes orthodontic coverage for employees)

**OTHER BENEFITS**

The following benefits are unaffected by and will continue to exist outside of Beneflex:

- . Retirement Plans
- . Deferred Compensation
- . Vacation, sick leave, personal holidays, and other leave programs
- . Supplemental employee life and dependent life insurance
- . Tuition Reimbursement and other training programs
- . Credit union and other voluntary payroll deduction plans

### BENEFLEX OBJECTIVES

- 1) To provide consumer education to employees involved in the expenditure of benefit dollars.
- 2) To reduce bargaining pressure by inducing shifts in consumption
- 3) To respond to the changing needs of employees and their families by introducing flexibility in employee benefit design.

### FUNDING POLICY

Each employee will receive the dollar equivalent (adjusted for inflation) of the benefit package received last year. During the first year of implementation, the employee benefit allowance will range from approximately \$1,200 - \$3,400, based on the number of dependents and prior plan selections. Over a three year period, we will implement a standard benefit allowance for all employees, based on the City's current mean benefit cost. This will result in an increase in the dollar allowance for some and a decrease in the dollar allowance for others. However, due to increased individual flexibility, tax advantages, and aggressive benefit management, most employees will experience an increase in real purchasing power.

### IMPLEMENTATION DATE(S)

|                                           |                 |
|-------------------------------------------|-----------------|
| Management and Non-Represented Employees: | January 1, 1985 |
| Represented Employees:                    | July 1, 1985    |
| (Subject to collective bargaining)        |                 |

0156P

Appendix D

A Consumer-Based Evaluation of Child Care Coordinating  
Council Services: Summary Report

by

Poul Koren, Ph.D.

**A Consumer-Based Evaluation of  
Child Care Coordinating Council Services:  
Summary Report**

**March, 1985**

**Paul Koren, Ph.D.  
Regional Research Institute for Human Services,  
Portland State University**



## A Consumer-Based Evaluation of Child Care Coordinating Council Services

This report describes a consumer-based evaluation of the services provided by the Child Care Coordinating Council (4-C) to employees of 14 companies in the Portland area. The companies are those who contracted with 4-C for services under the "Community Shares" program. The evaluation was conducted by the Regional Research Institute for Human Services at Portland State University under contract with 4-C.

### Evaluation Approach

The evaluation involved a survey of 555 individuals who were employees of sponsoring companies and who had called 4-C for services between July 1, 1984 and December 4, 1984. The sample did not represent all employees who had received 4-C services during this period, since some services, such as parent education, had been provided at company sites on an anonymous basis. However, the sample did include all employees who had called 4-C for some type of service and provided identifying information. The names and addresses of these employees were obtained from 4-C's computerized database, and a brief questionnaire was mailed to them in mid-December.

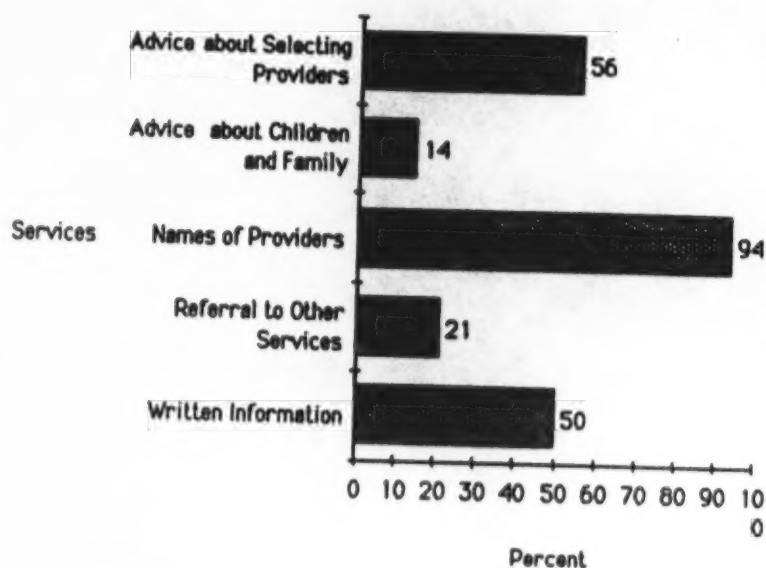
The questionnaire asked about services received, satisfaction with services, contacts with suggested providers, placement with providers, and treatment by 4-C staff. A copy of the questionnaire is attached to this report. Accompanying the questionnaire was a cover letter which explained the purpose of the survey and which promised that responses would be kept confidential. All questionnaires were coded by number so that no name was associated with any response without the use of a code log. This procedure allowed follow-up of non-responders but effectively kept responses anonymous.

In mid-January, 1985, about 35% of the questionnaires had been returned completed and 17 had been returned undeliverable. To increase the response rate, a follow-up letter and questionnaire was sent to those individuals who had not yet responded. By the end of February, a total of 309 individuals had returned a completed questionnaire, bringing the response rate to 57%, excluding undeliverable questionnaires. These 309 questionnaires provided the basis for the findings of the evaluation, findings which are summarized on the following pages.

### What services did parents receive?

The questionnaire listed five major services provided by 4-C and asked people to check as many services as they received. The services were: advice about selecting a childcare provider, advice about child and family issues, names of childcare providers, referrals to other community agencies or programs, and written information. The percentages of respondents who received each service are illustrated below.

Figure 1  
Percent of Respondents Receiving Services

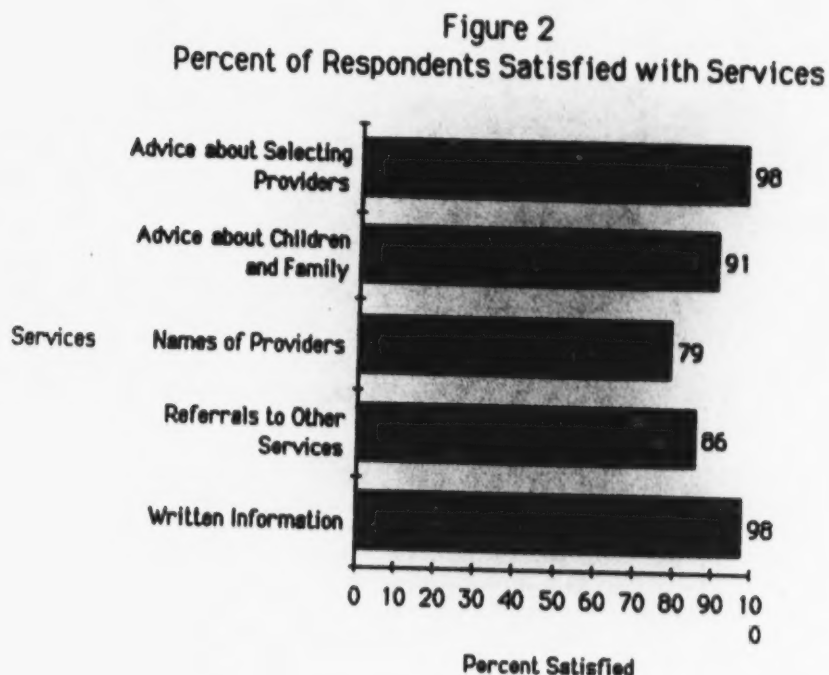


The most frequently used service by far was a referral to one or more childcare providers. Ninety-four percent of all respondents received such a referral. Over half, 56%, received advice on selecting a childcare provider, and half received some type of written information. Fewer respondents received referrals to other community programs or advice about child development and related issues. The percentages here were 21% and 14%, respectively.

Most respondents, 71%, received more than one service, and 43% received three or more. Of those who received a childcare referral, 71% received some other service in addition.

### Were Parents satisfied with the services received?

The percentage of people who were satisfied with the services that they received are presented in Figure 2. These percentages are based on the number who actually received each service.



As Figure 2 illustrates, the vast majority expressed satisfaction with whatever service they had received. Almost everyone was satisfied with the written information and advice about childcare selection; however, the least satisfaction, 79%, was expressed with respect to childcare referrals. Written comments provided by parents indicated that their dissatisfaction was primarily attributable to one of two reasons: (1) the providers were not screened and hence did not meet their standards for a good provider, or (2) there was not a sufficient number of providers in their area. More will be said of these issues later on in the discussion of comments.

Did parents contact a provider referred by 4-C?

The questionnaire asked several questions about what happened when a parent received a provider's name from 4-C. One question concerned whether or not parents contacted the provider(s). According to responses, 86% did contact at least one provider; however, 14% did not. The latter percentage is notably high, since presumably getting a provider's name was one of the motivating factors for calling 4-C in the first place. Again, the written comments shed some light on this. Some parents were simply looking for an indication of alternatives in their area; others already had a childcare arrangement and were "comparison shopping;" still others simply decided that some other alternative was more attractive given the information provided over the phone. Some example comments:

*"I do not have any children yet, but we are considering starting a family soon, and as a working mother-to-be, I was concerned about the number of places to take your child and how much they cost."*

*"I already use child care and called 4-C to determine availability and cost of comparable services. I had a prompt response and decided to leave my child at \_\_\_\_\_."*

*"An excellent program, however, I was able to find a sitter through a friend so I didn't contact your leads."*

Overall, parents failed to contact providers for a variety of reasons, and not necessarily because of dissatisfaction with the service. In fact, 74% of the parents who received a referral and did *not* make contact were nevertheless satisfied with the service.



If parents did contact a provider, how soon did they do so?

Of those parents who did make contact with a provider suggested by 4-C, 47% did so within a day, 34% a day or so later, 14% a week or so later, and 5% several weeks later. The finding that a majority pursued contact within a short period of time is a reflection of both the immediacy of the issue for most parents and the practice of 4-C to recommend immediate action. The vacancies for some types of childcare last such a short period of time that any hesitancy to pursue a referral may render it quickly obsolete.

How many parents placed their children with providers referred by 4-C?

A major question concerns actual placement of children with referred providers. According to the survey, 47% of parents who received such a referral actually placed their children with one of the referred providers. Alternatively, 51% of the parents did not; rather, they found some other arrangement. The written comments as well as previous childcare research suggest that the reasons for this finding are varied and complex. For some parents, the referred providers simply did not meet personal standards or were located too far away. For others, the 4-C referrals were used simply for "comparison shopping" or as a basis for learning about the childcare market. In such cases, the parents either decided to maintain present arrangements or continued to investigate other possibilities until something else was found. For still others, the circumstances causing them to seek a childcare referral changed such that they no longer needed to make an arrangement. Whatever the reasons for not placing a child with a referred provider, the findings illustrate the fact that parents, not 4-C, have the onus of responsibility for making the actual placement, and parents choose to use the information provided by 4-C in various ways. Stated another way, the referral information may have value for many parents by enhancing their ability to make an informed choice in the childcare market even though the eventual arrangement is found through some other means. The survey suggested that many parents recognized this value. Of those who received a referral but did *not* place a child with the referred provider, 57% were nevertheless satisfied with the service.



If parents placed their children with a provider *not* referred by 4-C, how did they find that provider?

Parents used many sources to find alternative providers, but the most frequently used source was a personal contact such as a family member, friend, neighbor, or co-worker. Fifty-two percent of parents who made arrangements with a provider not referred by 4-C found the provider by this means. The next sources most frequently used by these parents were the newspaper (21%), schools (6%), agencies or community centers (6%), the yellow pages (4%).

How did parents feel about their contact with 4-C staff?

When parents were asked to rate the degree to which their 4-C contact was personable and understanding, the vast majority, 88%, answered "very." Of the remainder, 11% answered "somewhat," and 1% answered "not at all." The highly positive tone of these findings was echoed in the comments of many respondents who sometimes singled out individual staff members for their empathy and helpfulness.

What were the most common comments made by parents?

First of all, it is worth noting that the optional comment question at the bottom of the survey questionnaire elicited an unusual number of comments for this type of research. Sixty-nine percent of the respondents wrote some type of comment, a response which in itself attests to the level of interest in this topic. The majority of comments, 57%, had something positive to say about the overall service, either with respect to its utility or the treatment received from 4-C staff. Some examples:

*"The staff was friendly - the services good, This service is much needed and very appreciated. I had no other way of finding childcare. I called a few places in the newspaper and found them very low quality. The babysitter I found through 4-C is very nice, normal, and clean. Best of all, my 18 mo old loves her, smiles, waves and says 'Bye' when I leave."*

*"My special thanks to (staff member) who helped make a difficult task somewhat easier. Her friendly and helpful attitude made working with her a pleasure."*

*"Just to let you know, I very much appreciated the service, and it was very comforting to know that there was another alternative if my sitter had not worked out. I may be moving within the year and I would hope that your service is still available."*

Positive comments notwithstanding, respondents also had criticisms or suggestion for improvements. The majority of these centered on one or both of two issues: (1) lack of provider screening, and (2) inadequate selection. Some examples:

*"I suggest you go to the homes to check them out before you refer them. Not all homes are clean!"*

*"The people at 4-C's were very helpful, but after going to two homes that were recommended to me by the Council and deciding I would not leave my pet let alone my child there, I went looking elsewhere for recommendations."*

*"We appreciated the service, however, there are not many providers in SW Portland."*

*"Not enough names in my area."*

Some comments were neither positive nor critical but rather served to explain a particular choice on one of the questions. Examples of these have

been given earlier. Overall, the comments provided valuable insights into parents' responses.

### Summary

In general, the evaluation suggested that parents receive a range of services from 4-C and are quite satisfied with those services. The most frequently received service is the provision of childcare referrals, and here the level of satisfaction, while still generally high, is the lowest. The major reasons for this appear to be the lack of provider screening and inadequate numbers of providers in certain areas. Although some parents who receive a childcare referral from 4-C neither make contact nor place their children with the provider, the majority in this category are still satisfied with the service. Their comments indicate that they use the service as a means of becoming knowledgeable consumers in the childcare market. Aside from the utility of the services themselves, parents' reactions to 4-C staff tend to be very positive.

Overall, the consumer support for this type of service appears to be high, although clearly there is concern among many for better screening and an increase in the supply of providers. Since 4-C appears to be making strides in both of these areas, future evaluations will be undertaken to determine if this consumer concern is being adequately addressed.

## CLIENT SURVEY

**INSTRUCTIONS:** Thank you for participating in this survey. Please answer all questions. Your answers will be kept confidential and will not be seen by your employer.

1. In your contact with 4-C, what kinds of services did you receive? Please check all that apply. For each service that you check, please tell us whether or not you were satisfied with it by circling "yes" or "no."

| <u>Service</u>                                                                        | <u>Were you satisfied?</u> |    |
|---------------------------------------------------------------------------------------|----------------------------|----|
| _____ advice about how to select a childcare provider                                 | yes                        | no |
| _____ advice about child development, disciplining kids, or combining work and family | yes                        | no |
| _____ names of childcare providers                                                    | yes                        | no |
| _____ referral to other services or community programs                                | yes                        | no |
| _____ written information                                                             | yes                        | no |
| other _____                                                                           | yes                        | no |

2. If you received the names of one or more childcare providers from 4-C, please answer the following questions by circling your response:

a. Did you contact any of the providers suggested by 4-C?

1. yes, within a day
2. yes, a day or so later
3. yes, a week or so later
4. yes, several weeks later
5. no, I did not

b. Did you place your child with a provider suggested by 4-C?

1. yes
2. no

c. Did you place your child with a provider who was not suggested by 4-C?

1. yes
2. no

d. If you placed your child with a provider who was not suggested by 4-C, how did you find this provider? (i.e., through a coworker, friend, church, etc.?)

3. How personable and understanding was the 4-C staff member to whom you talked?

1. very
2. somewhat
3. not at all

4. Any comments or suggestions about the services that you received?

Again, thanks for your cooperation. Please return your questionnaire in the envelope provided.

## Appendix E

### Example of Contractual Agreement Between 4-C and an Employer



# CONTRACT AGREEMENT

WHEREAS the Child Care Coordinating Council ("4-C") provides referral services for parents who desire child care services, and [REDACTED] ("Employer") employs individuals and persons who as parents might benefit from referral services provided by 4-C; and

WHEREAS 4-C desires to provide its referral services to the Employer and Employer desires to obtain such services for its Employees;

NOW, THEREFORE, 4-C and Employer in consideration of their mutual promises, obligations and conditions set forth below, agree as follows:

1. Definitions Used in this Agreement. The following terms have the following meanings:

(a) "Employer" means the above named Employer.

(b) "Employee" shall mean any parent who is a full or part-time wage or salaried Employee of Employer, excluding independent contractors.

(c) "Provider" shall mean a person or business in the Portland Tri-County area who maintains, operates or controls, whether certified or uncertified, registered or unregistered, a child-care, day-care, family day-care, or sick child-care facility, including centers, homes, before-and-after school care pre-school, cooperatives, camps, and summer programs for day, night, and/or week-end care.

(d) "Sick Child Care Provider" shall mean a registered or unregistered, licensed or unlicensed, person or business in the Portland Tri-County area who provides babysitting care for and oversees a child of an Employee in the home or residence of the Employee during a temporary illness of the child.

(e) "Sick Child" shall mean children between the ages of 9 months and 12 years of age who are ill or suffering from a minor, temporary illness, which, in the opinion of the Employee, does not require any medical, first aid or nursing services or specialized health care of any kind.

(f) "Ill" or "Illness" means temporary, minor, non-life threatening sickness, limited to Sick Children exhibiting symptoms of cold, flu, chicken pox, measles, mumps, minor injuries and allergies, and which does not require treatment or care by medical, first aid, nursing or other health care professionals or other persons trained in providing health or medical care.

2. Compensation: Employer shall pay to 4-C for 4-C's services upon execution of this contract or within thirty (30) days of execution of this contract the sum of \$10,430.

3. Contract Term: The duration of this contract is July 1, 1984 through June 30, 1985. The contract may be terminated by either Employer or 4-C by giving thirty (30) days prior written notice.

(a) In the event that 4-C or Employer voluntarily terminates this contract under the provisions of this paragraph prior to June 30, 1985, 4-C shall refund to Employer within

thirty (30) days of the effective date of termination as set forth in the termination notice a pro rata portion of the compensation stated in paragraph 2 above based upon the remaining term of the Agreement. Upon termination of this Agreement all parties' rights and obligations hereunder are discharged.

(b) In the event 4-C is unable to develop the Sick Child Care services provided in Paragraph 4 (b) and (c), or cancels such services for whatever reason at its option, this agreement is not terminated and 4-C shall not be in default under this Agreement, but 4-C shall refund to Employer a pro rata portion of the allocated sum for Sick Child Care Services within thirty (30) days of providing written notice of cancellation. The allocated sum for Sick Child Care Services is \$ 1,600.

4. 4-C's Services: 4-C agrees to promptly and reasonably provide the following services during the contract term: .

(a) Child-Care Referrals: An Employee who desires a referral to a Provider or Sick Child Care Provider shall call or write the 4-C office between 6:00 a.m. and 8:00 p.m. on weekdays. Within a reasonable time and after obtaining the Employee's name, address and any additional information necessary to making a referral, 4-C shall inform said Employee of the name, address, and telephone number of as many available Providers as 4-C has determined are available for the Employee's child-care needs or, if requested, as many Sick Child Care Providers as are available from 4-C's list of Sick Child Care Providers. 4-C is required to provide a list of not less than two (2) and not more

than five (5) available Providers to any Employee. 4-C shall provide timely referrals to Providers and Sick Child Care Providers.

(b) Sick Child Care: 4-C shall use its best efforts to develop and maintain a list of Sick Child Care Providers who are available to provide care for a Sick Child of an Employee during work hours. Sick Child Care Providers will be recruited, interviewed and screened by 4-C staff with respect to their prior experience. Sick Child Care Providers will provide their own transportation to an Employee's home or residence. Sick Child Care Providers shall be bonded for theft. 4-C will develop criteria and standards for a Provider's qualifications. Qualifications will consider child care experience, maturity and dependability. However, 4-C and Employer will not require any medical, health or nursing background, training or skill of any Sick Child Care Providers. Sick Child Care Providers, although screened, interviewed and evaluated by 4-C staff, are not 4-C Employees or agents, but are independent contractors. Employees will pay daily rates directly to the Sick Child Care Provider. A Sick Child Care Provider may set their own rates which will be quoted to Employees by 4-C staff.

(c) Sick Child Care Development Period: 4-C will require a three month period for developing the Sick Child Care services to be provided under Paragraph 4 (b) of this Agreement. 4-C will start development on July 1, 1984, and use its best efforts to implement the service, on or about October 1, 1984.

4-C, and at its option may choose not to develop such services under this Agreement.

(d) Placement is Determined by the Employee: Upon a referral by 4-C, the decision whether or not to place the child with any Provider or Sick Child Care Provider shall rest solely with the Employee, and said Employee has the sole and independent obligation to decide whether or not to place the child with any such Provider or Sick Child Care Provider. It is expressly understood that a referral by 4-C to a Provider or Sick Child Care Provider is neither a recommendation, approval, warranty nor representation by 4-C regarding the standards, quality, competence, or adequacy of such Provider, Sick Child Care Provider, its staff, agents, employees, safety, program, food service, equipment, facilities, home or service. 4-C shall determine whether the Provider is certified or registered with the State of Oregon and shall state to the Employee receiving a referral whether or not the Provider is certified or registered by the State of Oregon.

(e) Written Information: 4-C shall provide to Employer written information to be distributed to individual Employees regarding child-care selection, parenting, child development, and 4-C's referral services as requested by the Employer or an Employee. 4-C shall provide each Employer with enough copies of the booklet "Child Care: Finding the Right Option for Your Family", for their Employee population. Said written information may include the information set forth in Paragraph 4 herein.



(f) Workshops: One workshop shall be held in each of the Employer's work-sites in the Portland Tri-County area during the twelve month contract period. Employer has no more than 80 work-sites. Workshops shall be scheduled at the company's convenience. Workshop topics shall be determined by 4-C. Potential topics may be provided by 4-C to Employer and Employees, and Employees may specially request 4-C to cover a topic of interest in child care, parenting, and child development issues.

(g) Statistics: Statistics shall be provided to the Employer on a quarterly basis reflecting the number of Employees using the referral service. Statistics shall indicate the number of Employees of the Employer using specific referral services by job role and work-site and further demonstrating how many children were served by various age categories.

(h) Annual Evaluation: An annual evaluation of the service shall be performed by 4-C in conjunction with PSU's Regional Research Insititute. The evaluation will indicate Employee satisfaction levels and suggestions for improvement of 4-C's services, consultations, workshops, and information.

5. Employer Cooperation: Employer shall cooperate with 4-C's referrals and referrals may be made during working hours of the Employer. Employee consultations may be provided to Employees on a one-to-one basis and if provided, Employer shall cooperate with such consultations and permit such consultations during Employer's normal business hours. Employees may seek further assistance regarding parenting, child development, child-care issues and concerns from 4-C during working hours.

Employer shall distribute at its own cost and in a timely manner information and material to its Employees about services available through 4-C, including informational material containing the information set forth in Paragraph 4. Means of distribution shall include brochures, articles in newsletters, hand-outs for staff meetings, posters on bulletin boards, and authorized presentations to Employees by 4-C. Employer shall cooperate with 4-C in the circulation, distribution, and return of a "Parental Disclaimer" or "Notice to Parents", which shall be provided by 4-C.

The Employer shall cooperate in scheduling workshops described in Paragraph 4 (f). Employer shall cooperate with internal advertising regarding the services to be provided by 4-C.

Employer shall cooperate and assist 4-C in gathering and collecting the necessary information for providing said statistics.

Employer shall insure maximum coordination of services within the Employer and that the Employer shall designate a contact person to be responsible for coordinating activities and responsibilities under this agreement.

6. Financial and Legal Responsibility of the Parties:

(a) The financial responsibility for child-care and Sick Child Care received or reserved by an Employee shall rest with said Employee. Neither Employer nor 4-C shall be liable for any deficiency in payment or for any non-payment by an

Employee. Employees shall pay Providers and Sick Child Care Providers directly for all child care services and neither 4-C nor Employer shall be liable for non-payment of such fees.

(b) Solely by virtue of adding Employer to 4-C's contract of liability insurance as set forth in Paragraph 7 below, 4-C on its part, by and through such insurance, and only to the extent of such insurance coverage and only if such insurance coverage is provided, agrees to hold Employer harmless from any and all liability, loss, claims, demands, judgments, cost or damages that are occasioned by 4-C's negligence in the performance or non-performance of this contract, except as the same may be occasioned by Employer's negligence.

7. Liability Insurance:

(a) 4-C shall maintain general comprehensive liability insurance in the amount of \$5,000,000. Employer shall be added to this policy by virtue of a hold-harmless agreement issued by insurer. 4-C shall cooperate and make available from the insurer or insurance agent upon written request by the Employer an opportunity to inspect and review 4-C's general comprehensive liability policy and said hold-harmless agreement.

(b) If insurance is terminated and other insurance cannot be obtained for this service by 4-C or if 4-C's insurer will not or refuses to add Employer to the policy, then this agreement is terminated and 4-C shall refund a pro rata portion of the compensation paid by Employer based upon the remaining term of this Agreement.

8. Default: Failure by either party to perform any term, covenant or condition of this Agreement shall constitute a breach of the Agreement.

9. Remedies on Default:

(a) In the event of breach by 4-C of its obligations under this Agreement, Employer shall be entitled to immediately terminate this Agreement and to demand a refund of a pro rata portion of the compensation stated in Paragraph 2 above based upon the remaining term of the Agreement.

(b) In the event of breach by Employer of its obligations under the Agreement, 4-C shall be entitled to immediately terminate this Agreement and to retain the full amount of compensation paid by Employer to 4-C as stated in Paragraph 2 above.

(c) In addition to the remedies provided above in the event of default under this Agreement, 4-C and Employer shall be entitled to all remedies available at law.

(d) If suit or action is instituted to determine any matter in controversy under this Agreement or to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sums as the court may adjudge as reasonable attorney's fees at trial and on appeal therefrom.

10. Assignment. Employer may not assign its responsibilities and duties under this agreement. 4-C may not assign its rights or duties under this contract without Employer's written consent being first obtained.

11. Independent Contractor: It is hereby understood that 4-C is an independent contractor and not an agent or Employee of Employer and that 4-C's agents, servants and employees are not and shall not be considered as agents, servants or Employees of Employer. Furthermore, all Providers and Sick Child Care Providers are independent contractors and are not an agent, servant or employee of 4-C or Employer.

[REDACTED]

DATE: \_\_\_\_\_

\_\_\_\_\_  
EMPLOYER'S AUTHORIZED AGENT,  
OFFICER, OR DIRECTOR

Child Care Coordinating Council

DATE: \_\_\_\_\_

\_\_\_\_\_  
AUTHORIZED AGENT, OFFICER,  
OR DIRECTOR